The New REPUBLIC

A Journal of Opinion

VOL. LXXIV NEW YORK, WEDNESDAY, MARCH 29, 1933 NUMBER 956

Philura Gosse Smith Memorial Library

Contents

The Week 169

Editorials

Congress and the Farm Emergency..... 171
Europe: Peace or War?..... 172
The Directors Bore from Within..... 174
A New Way to Finance Public Works..... 175

General Articles

A Program for Banking.....George Soule 176
Panaceas for the Depression: I..John Chamberlain 178
Fourth Year: A Close-Up.....T. R. Carskadon 181
Crisis in the Theatre.....Felix Ormsby 182
Washington Notes .....T. R. B. 183
Did the R.F.C. Save Banks?.....John T. Flynn 184
On the Death of Senator Thomas J. Walsh (verse) .....Yvor Winters 185
The Problem of Art Criticism: I.....Stark Young 186

Correspondence 188

Reviews of Books

The Friend of Caesar.....Newton Arvin 191
The Challenge of Leisure....Walton H. Hamilton 191
Six English Novels.....T. S. Matthews 192
The Margins of History.....Herman Simpson, Isidor Schneider and Carl Ludwig Lokke 195
Book Notes 194

The Week

NO ONE could expect that Mr. Roosevelt's second week in office would be as dramatic and dynamic as his first; the banking crisis gave to his first acts a sense of immediate value which will probably attach to nothing else in his whole presidential career. Nevertheless the Second Week, by any other standards than those of the preceding seven days, would have seemed impressive beyond belief. Against the desperate opposition of the veterans' lobby, the Economy Bill was adopted by the Senate and became a law, giving Mr. Roosevelt sweeping powers to reduce expenses by a sum which (with some other savings) it is now hoped may be as much as $1,000 million. Mr. Roosevelt showed his masterly skill as a politician by switching in the Beer Bill at just the right moment to give the economy measure the last needed shove. Meanwhile, with his agricultural advisers he was framing one of the most important and far-reaching pieces of legislation ever submitted—a farm-relief bill which may cost $800 million annually, the money being spent to compensate farmers in one way or another for reducing their crops.

AND as though this were not enough, the President was also busy with plans for unemployment relief, including the "peacetime army" scheme, the Tennessee Valley project, etc. In his spare moments, he was working on details of the banking legislation which is intended to obviate at least the worst abuses of the present system, until a comprehensive banking scheme can be worked out and introduced. He was under the necessity, moreover, of improvising almost on a moment's notice a foreign policy which would take cognizance of the MacDonald proposals for limitation of armament and of a situation in Europe full of the danger of war. The President can at least comfort himself that no other period in his administration is likely to seem so strenuous as his first fortnight.

THE reason for Mr. Roosevelt's enormous popularity is also a reason why it cannot last forever. For two weeks the new President had a unique opportunity, of which he took full advantage. For two weeks he was able to act in accordance with the demands, not of every class in the population, but of almost every class that is politically articulate. Every class preferred action to inertia. Every class demanded that the sound banks be reopened as soon as possible, under closer supervision. Every class hoped that government costs would be lowered—though it also hoped that someone else would make the necessary sacrifice. Every class, with a few exceptions, was glad to see beer legalized. But once the Beer Bill was out of the way, class interests began to diverge. In his remaining legislation—with regard to farm relief, banking reform, power, unemployment and the railroads—Mr. Roosevelt will have to decide between the interests of different groups and communities—between big bankers and little ones, between all bankers and their depositors; between farmers on the one hand and packers, millers and bakers on the other; between investors and consumers, labor and management. He can no longer please all classes simultaneously: he must choose,

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

bestow, deny. Those who profit from his policy will continue to admire him, but others now celebrating the greatest President since Lincoln, or the greatest since Jefferson, if they are Southerners, will soon be sneering at the greatest President since Hoover. In any final judgment of the man the quality of the sneers is as important as that of the approval. Perhaps his real worth to the country will henceforth be in inverse ratio to the amount of praise he receives in metropolitan newspapers.

THE dictatorship and the terror in Germany are now complete. The Reichstag has abdicated, making Hitler ruler until 1937. He and his associates in the government will write such laws as they please, and will not even go through the pretense of having them signed by President von Hindenburg, who has so shamefully betrayed the Republic. Behind the mask of censorship, the Nazis are proceeding mercilessly against their real or imaginary enemies. Jews, Communists, Socialists and Republicans are subjected to every imaginable form of mistreatment. Their homes are invaded, many of them have been cruelly beaten, and an indefinite number have been murdered. Those who hold public posts are being dismissed by the thousand. The prisons are overflowing with political opponents of the Hitlerites, particularly the Communists and the Republicans; and it is now planned to create huge concentration camps in which thousands of these individuals can be herded and kept indefinitely, without trial and under conditions which can easily be surmised. Hitler at first made a pretense of protesting against the violence of his followers; a polite fiction was maintained that the brutal excesses were committed by "imposters masquerading in Nazi uniforms." Now even this pretense seems to have been abandoned. A few days ago the Nazi police invaded the home of Dr. Albert Einstein in search of a store of arms and ammunition which the great scientist was supposed to have hidden there—whether in his role as pacifist or as Jew, is not clear. They found a bread knife.

JUST what are the intentions of the Roosevelt administration in regard to a large federal bond issue for public works? A week ago, it was reported that the President was about to recommend to Congress new bond issues of $2,000 million, of which $500 million would be for the federal "peace-time army," the Tennessee River project, etc., $500 million for a direct grant for relief, to be spent by the states and cities, and $1,000 million for self-liquidating public works. A few days later, it was reported that Mr. Roosevelt was reluctant to burden the budget with heavy additional expenditures at a time when he is trying hard to economize, and had decided for the present to ask only $500 million for relief of the destitute. He would also begin the federal public-works program with unexpended surpluses on hand in the Treasury, starting with $40 million. It must be remembered, however, that the Reconstruction Finance Corporation still has power to issue bonds to the amount of at least $2,000 million. It is also understood that Senator Wagner's new program has Mr. Roosevelt's approval, and one of the points in that program is authority for the Reconstruction Finance Corporation to purchase state, municipal or other securities to finance public works, and to make loans for the same purpose even to private companies. If it is true that Mr. Roosevelt stands behind this program he may contemplate the expenditure of well over $2,000 million for this purpose. We hope he will soon make his intentions clear.

DOES the present confusion mean that Mr. Roosevelt has departed from his belief in public works as one of the ways out of the depression? We trust that it does not. Many good economists feel that the President's economy program will prove destructive unless it is accompanied by public works on a huge scale, and that even the proposed bond issue of $500 million is far too small. To cut the day-by-day expenses of the government so as to preserve its credit; to use this credit as a means of increasing those capital expenditures which can be amortized over a period of years and which will finally pay for themselves; in a word, to achieve prosperity by wise spending, the only way in which it can be achieved—this is the logical course for any powerful government in the midst of a depression. But simply to cut wages, simply to abolish buying power without creating any new buying power to take its place, is a policy which has already proved itself to be utterly short-sighted. Almost every industrialist in the country has tried it, and the only result has been to drive us further into the crisis. At present there is renewed danger that the government will imitate on a grander scale the tactics of the Briggs Manufacturing Company, the Peabody Coal Company, the Brooklyn Edison Company and other employers of labor. What good can come of maintaining credit by destroying buying power? Eventually credit itself is based on buying power—and the effort to maintain one while neglecting the other is like mending a church steeple while a flood is licking at its foundations.

THE Reconstruction Finance Corporation enters a new zone of danger with its decision to help reorganize banks remaining closed after the moratorium. It is, of course, desirable to provide new banking facilities as soon as possible for those lost, but in the process of doing so there is any amount of opportunity for political favoritism and the underwriting of unsound private interests, just as there was in the previous attempt to help banks which were in danger of closing. According to the decision, which will be applied first in Detroit, new corporations will be formed to take over the liquid assets of the closed banks, and capital for these corporations will be provided by equal contribu-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

tions from the R.F.C. and local interests. The R.F.C. will acquire non-assessable cumulative preferred stock, and the local contributors common stock. While the preferred stock will have voting power, the R.F.C. announces an intention not to interfere with local management. Thus the government furnishes capital and goes into partnership with private enterprise, without assuming responsibility for the conduct of the undertakings which it finances. An independent political body is left free to decide where its aid shall be extended and where it shall be denied. This is a dubious patchwork method, the illogical nature of which compares most unfavorably with such a plan as that suggested in the article, "A Program for Banking," in this issue of The New Republic. The least that can be asked concerning this new policy is that the details of its application be given complete and prompt publicity.

THERE is at last a prospect that Socialists and Communists will join their forces against the terror in Germany. If they had joined last year, there would have been no terror. But even though the two parties are striving toward the same goal, in theory, and have the same enemies in bitter fact, the differences between them are so real and the grievances of such long standing that only a catastrophe could bring them together. The German counter-revolution has been a disaster for both. On February 19, the Second International, through its Bureau, announced that all the Socialist and Labor parties affiliated with it were ready to form a united front with the Communists in order to fight the Fascist reaction. Two weeks ago The New Republic commented on reports from Moscow that the Third (Communist) International had replied with definite proposals of its own, but these reports were later denied. Meanwhile there was a feeling of impatience among Socialists and Communists all over the world; it seemed for the moment that the German workers, struggling against odds, were being denied the international support which they had every right to expect. On March 18, however, the Comintern finally published a reply which went farther than anyone had hoped. Though expressing its distrust of the Socialist leaders, the Comintern offers them a real united front—not only in Germany, but in every country where the two Internationals are represented; and not only against Fascism, but against all attacks on the working class.

THIS time it does not propose the famous "united front from below," which the Socialists have always rejected as a maneuver to divide their membership; it suggests a joint struggle directed by the central committees of the two parties—and uniting not Socialists and Communists alone, but all working-class organizations, including the Independent Labor party of Great Britain, the Left Socialists of Norway, Holland, France and other European countries, the Conference for Progressive Labor Action and the American Federation of Labor. The manifesto ends with a promise and a threat. "The Executive Committee of the Communist International considers it possible to recommend the Communist parties during the time of common fight against capital and Fascism to refrain from making attacks on Social Democratic organizations"—this is the promise. But—"The most ruthless fight must be conducted against all those who violate the conditions of the agreement in carrying out the united front." In other words, if the pact is refused, or accepted and then broken, the fratricidal struggle will continue more bitterly than before.

TYPICAL of the late lamented New Plateau of prosperity were the advertisements in all the women's magazines showing new styles of cooking stoves finished in immaculate hospital-white enamel or in gay colors. No other country in the world, we were told proudly, provided its housewives with such marvelous colored stoves. Unfortunately, it has been discovered that many of these stoves are produced at a high cost to the women workers who spray the bright enamel on them. An investigator for the Women's Bureau found that one-third of these women suffer from lead poisoning, which is both dangerous and extremely hard to cure. Dr. Alice Hamilton, of the Harvard Medical School, a distinguished authority on occupational diseases, has pointed out that leadless enamel exists and is in use in some places. There is no reason except the ignorance or greed of the manufacturer why it should not be universally employed.

Congress and the Farm Emergency

THERE is a significant difference between the way Congress received the President's emergency bills for banking and federal economy and the way it received his bill for agricultural relief. In the first two instances it hastened to give him the powers he asked, suppressing dissenters and avoiding questions as to the efficiency of the measures proposed. In the third, it intends to listen carefully to representatives of the interests which dislike the bill, and to exercise its own judgment concerning the sort of thing which ought to be tried.

Why is this so? One obvious answer is that the whole money power of the East was in favor of action to open banks and to cut hundreds of millions out of the budget, whereas large sections at least of this money power are, and always have been, against all proposals of genuine farm relief —that is, measures which might raise the prices of crops or give the farmer a higher bargaining status in our economy. Newspaper writers spoke of the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

prompt decision of Congress to delegate power to reduce veterans' compensation and cut federal expenses as a "miracle," in view of the political opposition of selfish interests. It would be a real miracle, however, if in spite of the opposition of packers, millers, Eastern bankers and the like, Congress should, without a lot of wrangling, delegate power to the President to cut for the farmers a larger slice of the national income.

Opponents of the agricultural bill argue that in this realm the country is not faced with an emergency involving the public interest, as it was in banking and trimming the budget. In one sense only they are right—some banks at least had to be opened promptly or the whole economic activity of the nation would have to come to a standstill. But the difficulties of a large section of the banks cannot be permanently removed unless something is done to set agriculture on its feet. And surely it is no more important to balance the budget than to restore the purchasing power of one-third of the producing population. To do one without doing the other will, in the end, be as injurious to New York as to Minneapolis or Kansas City. We fail completely to see why, if "public interest" is paramount to private when cutting salaries or pensions is involved, it is not paramount when bringing economic order into the basic production of food is involved.

It is further argued that the agricultural bill is more experimental and uncertain in its results than the banking and economy measures. We incline to the contrary belief. Any large economic policy is experimental and uncertain. It was an experiment to open only the "sound" banks, leaving thousands unopen. It was an experiment to draw the lines which determined "soundness." It was an experiment to authorize the issue of new currency. The outcome of the whole incident is dubious in the extreme, unless further drastic measures are taken to restore the purchasing power locked up in frozen deposits. It is a very uncertain experiment to contract governmental expenditures while purchasing power in circulation is being diminished in nearly every other direction. Even the policies involved in these decisions were not clearly stated to Congress, and their implications were not examined.

In the case of the agricultural bill, however, the policy is clearly stated, and specific means of carrying it out are outlined. The policy is to restore the purchasing power of the farmers by raising the prices of crops to the pre-war parity with the prices of industrial products. The method of doing so is, in general, to restrict output. If the means adopted are successful, the result, as clearly stated by the Secretary of Agriculture, will be to take about $800 million from the consumers to add to the farmers' income. The expectation, of course, is that the city consumers themselves would benefit by having more employment and larger incomes with which to pay the higher prices, because of the fact that the farmers could buy what they make.

Several alternative means of reducing output are specified in the bill. Something must be done to arouse the self-interest of the individual farmer in limiting what he grows, if output is to be controlled in accordance with plan. Everybody has realized that. The administration has picked the three most promising suggestions for doing so—the domestic allotment plan, by which the farmer agrees to reduce acreage in return for a benefit payment on a specified part of his output; the rental plan, by which the government actually rents a certain number of his acres and says what shall be done with them; and the Smith cotton-option plan. In order to produce the necessary revenue to pay for any of these measures, the imposition of an excise tax on the products is authorized. To implement the bill and guide the choice of the specific measure to use in the case of the specific crop, the Secretary is authorized to enter into marketing agreements so as to form organized commodity councils which will include both growers and processors of a crop. Those engaged in the industry will therefore examine, recommend and administer the appropriate measures, under the authority of the Secretary. The Secretary may also license processors and distributing agencies, if that is necessary to produce unified and controlled action.

Congress has been given a much clearer picture, not only of the basic purposes and probable results of this measure, but of the machinery for its execution, than in the case of any of the other emergency bills. It is asked to decide whether, in the first place, it wants to increase the purchasing power of the farmer by restoring the pre-war price relationship between farm products and other products. If it wants to do this, it is then asked to authorize a choice among the three most prominent methods suggested to accomplish the result—methods carefully worked out by experts and receiving the approval of accredited farm leaders and of the administration. It is asked to set up a consultative machinery to help the Secretary of Agriculture decide which method shall be used in which case, and how the details should be worked out.

Congress is not fitted to revise this suggestion in thorough detail. Effective economic planning cannot be carried out without experimentation in practice, without allowing a good deal of flexibility on the part of administrative bodies. The most competent experts could not set down in advance an elaborately complete and unalterable scheme for any single industry, much less for a series of industries like agriculture. Congress has little expertness in this matter, and it is too large for competent debate on anything except the more general principles. Even if no emergency existed, its authority would be sufficiently consulted and its function sufficiently utilized if it were asked to endorse the policy and the main outlines of a measure like this. Congress has the power to reject what the principal agricultural organizations and the admin-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

istration want to try. It has not the competence to produce a wholly different measure which is superior. And the result of its action, if it tries to substitute its own judgment on details for the type of plan recommended in the bill, is likely to produce hopeless confusion.

Europe: Peace or War?

THE MOST astonishing international development in a long time is the outcome of Prime Minister MacDonald's visit to Mussolini in Rome. Mussolini would appear to have taken his British confrere into camp in the most amazing fashion. As a result, England and Italy are about to invite France and Germany into a four-power conference, one of whose purposes will be the revision of those clauses of the treaties of 1919 which are causing unrest in Europe.

Considered in a vacuum, the suggestion is admirable. All intelligent people know that the cruel injustices perpetrated by the Treaty of Versailles and the other post-war treaties have been largely responsible for the troubles with which Europe has been afflicted ever since. The treaties ought to be revised, and Mussolini shows statesmanship in recognizing that fact. Nevertheless, coming at this moment and from him, the suggestion seems calculated to do anything rather than bring about the long period of peace which the Roman dictator so optimistically predicts. The French have already indicated their violent objection to the scheme; and since no such conference will be held without unanimous agreement, the plan seems likely to die before it is born. The French not only object to being, as they see it, "cut off" from their allies—Poland and the Little Entente—but they also, and with some reason, criticize the plan as being a blow at the authority of Geneva. The net result is therefore to give the impression that Great Britain is abandoning her traditional neutrality in favor of a rapprochement with Italy and her allies. If this is all that comes from the conference, Mr. MacDonald will have made one of the gravest diplomatic blunders of his career.

It is significant that the MacDonald disarmament plan was not even discussed at the meeting between Mussolini and himself. That document had already a quaint historic flavor when it was only a few days old. The simple fact is that there is no possible hope of getting any disarmament in Europe of any sort while the atmosphere is so charged with electricity as at present; and if a modus vivendi is not created, the danger of war will be so great that nothing else will matter.

In what that danger consists, most people by now know fairly well. Europe is dividing into two armed camps, two systems. One, built upon the Versailles Treaty and determined to maintain it, consists of France, Poland, Czechoslovakia, Rumania and Jugoslavia. The other is hostile to the treaties of 1919 and determined eventually to overthrow them; it includes the defeated nations —Germany, Austria, Hungary—and Italy, which is dissatisfied with its booty. Specific "sore spots" are of course France against Germany, Germany against Poland, Italy against Jugoslavia. From time to time in recent years, dangerous states of tension have also developed between France and Italy, and they might easily return. If it were not for the present aggressively pacifist attitude of Soviet Russia, there would be equal danger of war between Russia and Poland, or Russia and Rumania. War, in fact, is possible in almost any part of Europe; or it might blaze up throughout the Continent simultaneously. The nations defeated in the Great War, and Italy, not only have the common bond of hatred for the "Versailles system," but they have the further and even more important bond of adherence to the doctrines of Fascism, which today rules Germany and Italy openly, Hungary covertly, and seems to be on the eve of a victory in Austria.

To be sure, no one can say that war will break out tomorrow, next week or next year; but neither can anyone say that it will not. It is now clear that all the repeated pacific treaties which the Powers have signed have no significance, even in the minds of the men who signed them. The attempt to impose upon Europe a grossly unjust set of conditions, founded upon a peace treaty which was signed at the muzzle of a gun, at last has produced the results which intelligent people have been predicting for fifteen years.

Under these circumstances, Mr. MacDonald's journey across Europe was as desperate an expedition in support of a forlorn hope as was ever undertaken. Don Ramsay Quixote was seeking, by the magic of his own personality and the force of the moral fervor which he expresses so well, to break up the alignment of all Europe—an alignment which has been years in the making and which, in its main outlines, existed for decades before the Great War. It may safely be assumed that England was not trying to buy off Italy, or any other nation; if she were, someone more practical and businesslike than Mr. MacDonald would have been entrusted with the mission. Indeed, it is difficult to believe that his Tory colleagues had any idea that he would be taken into camp by Mussolini so completely.

What will be the end? If the Mussolini plan has no tangible result except to deepen the ill will already existing on the Continent, does that mean that war is inevitable and near? Not necessarily. After all, Mr. MacDonald is not alone in his devotion to peace. He has many allies in almost every country. It is possible that the danger may be averted or postponed for a long time, and Europe may continue under conditions roughly comparable to those which existed during the decade prior to the Great War. If this happens, however, it will not be the result of Mr. Mac-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Donald's moral exhortations, but of economic and military facts. We are unaware of any instance in history where moral appeals have had a decisive effect. If Europe does not, in its own interest, contrive a basis for a lasting peace, the nations will have set their feet on a path which heretofore, throughout all history, has led to war.

The Directors Bore from Within

UNDER the severe criticism of a minority of the United States Supreme Court, the American Tobacco Company has called upon its stockholders to put the rubber stamp of their approval upon the acts of the management in awarding remuneration to the officers and directors of the company for the past fifteen years. The stockholders' meeting will be held on April 5, and in spite of the spirited objections of a very small minority and the stinging rebukes uttered by Justices Stone and Brandeis, it will in all probability be a walk-away for the management. This prophecy is based in part upon the known indifference of stockholders to what takes place within the organization provided the dividends are maintained—as in this particular case they certainly are. The prophecy rests also, however, upon the fact that the daily press has accorded what seems to be definitely less space to the case than it has deserved. Is the friendly silence of the newspapers perhaps explained in part by the American Tobacco Company's generous advertising budget?

Early in 1931, a stockholder began a course of litigation with the company. After passing through the Federal District Court and the Circuit Court of Appeals, the case reached the Supreme Court of the United States. Three questions were involved, of which the primary one was the exorbitant remuneration of the corporation's management, particularly of its president, Mr. George Washington Hill. The second was the question of the candor and honesty of the directors of the corporation in discharging their fiduciary duties to the stockholders. The third was the expediency of intervention by the federal courts in matters pertaining to the internal management of a corporation holding a charter from one of the several states.

The findings of the various courts in which the complaints against the company were heard revealed a number of interesting matters, some of which can be summarized as follows:

> Mr. George Washington Hill, for his services to the company in 1930, received $2.5 million. His salary for the year was $168,000; "special cash credit" added $270,000; a cash bonus of $840,000 brought the total to $1,278,000; finally, stock allotments of 13,440 shares of common stock, class B, valued at the difference between the allotment price of $25 a share and the market price of $112, made up the grand total of $2,447,280.
>
> Four of the five vice-presidents (the fifth not being named in the suit) received $700,000 in fixed salaries and special credits and $1,830,000 in cash bonuses.
>
> Sixteen directors (including all the vice-presidents but not including the president) were recipients of $1,646,910 worth of stock in addition to their salaries, special credits and cash bonuses.
>
> Purporting to act under the provisions of a New Jersey statute which allows a board of directors to "formulate" a "plan" for allotting shares of the corporation's stock to its employees, and to execute the plan after the approval of the stockholders, the board of directors had merely passed a resolution giving the president complete power to issue and sell stock to such employees, officers or directors as he should determine.
>
> Under the high-sounding title of "Employees' Stock Subscription Plan," the scheme was presented to the stockholders at a meeting in which they were also asked to approve an increase in the dividend rate on the common stock. No details of the plan were disclosed, and the stockholders of course ratified it.
>
> The president named 535 persons to receive 56,712 shares of common stock class B at par, $25. Mr. Hill allotted 32,370 of these shares to the directors and they gratefully voted him in return 13,440 shares.
>
> None of the beneficiaries of the plan was of lower rank than factory sub-assistant, and the great majority of the recipients got from 15 to 50 shares.

When the issue at last came before the Supreme Court, Mr. Justice Butler refused jurisdiction for the court on the grounds of *forum non conveniens*, sent the case back to be begun again in the New Jersey courts, and gave Mr. Justice Stone an opportunity to make a beautiful dissent, with Mr. Justice Brandeis concurring. (Mr. Justice Cardozo wrote a separate dissenting opinion.) Mr. Justice Stone wrote that the directors had acted "in violation of their duty as fiduciaries" and had "exceeded the authority conferred upon them by the stockholders," to whom it would be "extravagant" to say that they had given warning of "the wholesale gratuities which the directors subsequently bestowed upon themselves."

The stockholders, he continues, did not consent that the directors should be "the chief beneficiaries of their own unrestrained munificence, or that they should add any new bounties to the unrevealed stock allotments and bonuses which . . . [they] had previously enjoyed in secrecy. . . . Their business competence did not confer on them the privilege of making concealed or unauthorized profits or relieve them of the elementary obligation which the law imposes on all corporate directors to deal frankly and openly with stockholders."

On the issue which determined the action of the majority of the Supreme Court, Mr. Justice Stone cited Berle and Means, "The Modern Corporation and Private Property," and enunciated a principle which is beginning to be an accepted part of our thinking on matters pertaining to corporate rela-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

tions. "Extension of corporate activities," he wrote, "distribution of corporate personnel, stockholders and directors through many states, and diffusion of corporate ownership, separated from corporate management, make the integrity of the conduct of large business corporations increasingly a matter of national rather than local concern . . . to which the federal courts should be quick to respond when their jurisdiction is rightly invoked."

Shortly after Mr. Justice Stone had so unmistakably censured the management of the American Tobacco Company, Mr. Hill wrote to his stockholders and, patting himself on the back for the profits of the corporation, attributed these profits to the fact that he and the other "key men" had been "stimulated" by the rewards held out to them. The letter went on to say that Mr. Hill believed in the principle of rewards to stimulate the management and because of his devotion to that principle he was renouncing his allotment of 13,440 shares. What, in all justice, the letter might have said was that Mr. George Washington Hill thanked the stockholders very kindly for letting him get away with $1,278,000 in a single year and that if there was going to be all this fuss about the rest, why that would do very nicely, thanks, and nobody was going to say that he, Mr. George Washington Hill, was in business just to make money.

On April 5 the stockholders will overwhelmingly and enthusiastically approve Mr. Hill. Meanwhile, the ungrateful objector has begun suit once again in the courts of New Jersey.

A New Way to Finance Public Works

MR. ROOSEVELT is reported to be hesitating in regard to asking Congress for a large bond issue with which to finance public works, for the purpose of relieving unemployment and restoring business activity. His reluctance is presumably due to two things: his unwillingness to saddle the federal budget with additional expense just now, and a considerable degree of doubt as to whether the investing public will buy large amounts of government bonds at the present time at any reasonable rate of interest.

There is a plan which would meet the difficulties by which Mr. Roosevelt finds himself beset. It would do so by providing funds from which the government could pay interest charges and sinking-fund requirements on bond issues of this type. It could do so, moreover, without resort to additional general taxes. The essential feature of this plan is a special and temporary tax upon all building materials.

It may be assumed that construction costs are divided about equally between labor and materials. If $3,000 million of construction is the minimum of any depression year, a $3,000 million federal bond issue for public works could be supported for at least three years by a tax of about 10 percent upon all materials sold in the United States. Since every dollar of such taxes would be expended for the benefit of the construction industry (including building materials), there would be little objection from the industry itself. Moreover, no undue burden would be placed on construction even if prices were raised; these prices today are so low that in some cases they are under actual cost. A 10-percent increase would only mean, at most, a price level for materials like that of 1931, which was itself very low. Incidentally, railroads would benefit greatly from increased car loadings.

On the basis indicated, this tax would yield $300 million annually, or $900 million in the first three years. During that time the federal debt would increase by $9,000 million, but the fixed charges thereon would be met by the revenue from the tax. If normal business conditions were gradually restored during this period, federal revenues would be large enough to carry the fixed annual charges on the bonds without further recourse to the special tax. But even if prosperity did not return, would government finances be irretrievably injured? Hardly. No matter how earnestly Mr. Roosevelt cuts the budget, there is sure to be a large element of waste for some years to come. As this waste is gradually eliminated, the funds thereby set free could be applied to the service of the bonds.

However reluctant some people are to admit it, it is necessary to take account of the state of mind of bankers, investors and timid capitalists in general. They are alarmed by unbalanced budgets due to expenditures which taxpayers cannot or will not meet; and their alarm reflects itself in a closing market for government securities, in gold hoarding and the flight of capital. If, however, investors can be shown that through such a special tax as is here proposed ample provision is made for interest and amortization of bonds, these bonds could be readily marketed, public works could be undertaken on a vast scale, and at least the opportunity given for the long delayed upswing.

THE NEW REPUBLIC

PUBLISHED WEEKLY AND COPYRIGHTED, 1933, IN THE U. S., BY NEW REPUBLIC, INC., 421 WEST 21ST STREET, NEW YORK CITY. BRUCE BLIVEN, PRESIDENT. DANIEL MEBANE, TREASURER.

EDITORS

BRUCE BLIVEN MALCOLM COWLEY R. M. LOVETT
GEORGE SOULE STARK YOUNG

CONTRIBUTING EDITORS

JOHN DEWEY WALDO FRANK ALVIN JOHNSON
E. C. LINDEMAN LEWIS MUMFORD GILBERT SELDES
R. G. TUGWELL LEO WOLMAN

RATES: SINGLE COPIES, FIFTEEN CENTS; YEARLY SUBSCRIPTION, FIVE DOLLARS; CANADIAN, FIVE DOLLARS AND FIFTY CENTS; FOREIGN, SIX DOLLARS; THREE MONTHS' TRIAL, ONE DOLLAR.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

A Program for Banking

EVEN DURING prosperity there were many bank failures. Between January, 1929, and December, 1932, 5,729 banks were closed, locking up $3,520 million of deposits. Of these only 771 reopened, releasing $411 million. Now about $8,000 million more of deposits have been removed from the people's purchasing power, in thousands of banks unopened since the moratorium. Most of these are in the West, the Middle West and the South. And we have perhaps 14,000 banks left, to provide failures for the future.

At least half the country is still suffering severely from the bank crash. The loss of purchasing power occasioned by the shrinkage of over one-quarter of our bank deposits, from this source alone, must be restored before good business can return.

Bank failures are caused by depression—in part. But they also deepen and prolong depression. Canada and Great Britain have suffered from this depression. But in neither country has a single bank failed. No other country has suffered anything fully comparable to our banking difficulties. No other country has a banking system like ours.

The American people are aroused about the banks as never before. Now is the time to get the kind of banking system we ought to have. It is not a time for ineffectual compromise, for a system a little better than our present one. It is not a time to propose a system inferior to those in other countries, or even a system as good as theirs. It is a time to install the best system we can think of.

The last attempt at banking reform, after the panic of 1907, eventually produced the Federal Reserve System. In the political contest between the public and the private banking interests, this was the nearest thing we could get to a unified structure. It established twelve Federal Reserve Banks, as a parallel to the single central banks of other countries. These banks were placed under the partial jurisdiction of the Federal Reserve Board in Washington. All national banks were compelled to join the system. State banks which met its requirements were permitted to join. It was hoped that the pooling of reserves in the Reserve Banks, plus their power of issuing currency against commercial paper, plus their control over rediscount rates and open-market policy, would give us the essence of centralized banking. The Federal Reserve System would minimize bank failures. It would prevent panics and general bank moratoria. It would be able to restrict credit expansion in booms and stimulate it in depression. It would distribute resources about the country to better advantage. It would raise the standards of private banking practice.

In spite of minor improvements, the Federal Reserve System has failed at every one of its major tasks. We have never before had a more serious period of bank failures. We have this year experienced a panic which in most respects was like those we had in 1907 and many times before, except that it was more widespread. Credit expansion for speculative purposes grew to enormous proportions in the last boom. Attempts by the Reserve Banks to expand credit during the depression, through low rediscount rates and liberal open-market policy, were futile. And the revelations of recent banking practice have shocked the nation.

Instead of a single banking system, we have forty-nine systems. There are (or were before the moratorium) 6,080 national banks in the Federal Reserve. There were 12,714 state banks, incorporated under the separate laws of forty-eight states, of which only 824 were members of the Federal Reserve. It has therefore been proposed that the federal government exercise its constitutional right to forbid the practice of commercial banking without a federal charter—in other words, abolish the state systems and force the state banks into the Federal Reserve System.

This would, no doubt, be desirable, but it is the tiniest and most ineffectual of tiny reforms. The Federal Reserve System already included banks which, although they made up but 37 percent of the total number, had 60 percent of the total deposits. Many of the non-member banks were indirectly dependent on member banks. Professor H. Parker Willis, writing in 1931 for the Encyclopedia of the Social Sciences, said, "There is no conclusive evidence that member institutions have been less liable to failure than have others." There is not the slightest reason to believe that the Reserve System would have better executed its major tasks if all banks had been members.

For decades, the students of American banking have understood that the principal flaw in our system is the large number of banks and the competition among them. Anybody who can scrape together a little capital can start a bank, whether he knows anything about banking or not. A barber said to me, "I have to go through a long apprenticeship and take an examination before I can cut hair, but the banker who lost my money was only a coal dealer who got together $50,000 and rented a corner store." Suppose, however, that every small banker were as skilled and honest as the big ones—a supposition which, in view of recent scandals, may not be extravagant. Still, the single bank is largely dependent on its own resources and on the fortunes of its local industry and community. The

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

fact that its reserves may be in Chicago or Minneapolis or New York does not substantially alter its vulnerability. When it is insolvent, it has to close. But if it were a branch of a giant bank covering a wide territory and many industries, its solvency would be as high, in the end, as that of the whole institution. Most of England's banking business is done by five banks. Canada has less than ten. These can hardly fail unless the whole financial structure and the government itself topple.

Serious as are the consequences to the depositor and the local community of the existence of local independent banks, the consequences to the whole nation of competition among banks, large and small, are even more serious. When business is good, the temptation to expand loans too much, whatever restrictions the central bank may try to impose, is irresistible. If one bank does not do it, another will. When business is bad, the single bank fears to expand because it does not know what the others will do. Even if the policy of the central bank increases its reserves, it strives to keep liquid by contracting its loans, and thus helps to make all banks less liquid. It does not dare, for instance, to lend to a manufacturer so that he may make more shoes, because it does not know whether the retailers will receive loans to enable them to carry the shoes and whether other manufacturers will receive loans to enable them to employ workers who will buy the shoes.

No banking reform will be worth considering unless it turns banking over to a few big banks. Therefore, say many, we must "allow" branch banking, at least on the scale of the several Federal Reserve districts. There are two conclusive objections to this. The first is that private combination is a cumbrous process. We did not get railroad consolidation by "allowing" it. There are jealousies among strong companies, and strong companies do not want the weak ones. In utilities we got pyramiding and inflation of values, plus a crazy-quilt of control. In chain stores the big fellows simply drive the little ones out of business—a poor method if we want to avoid bank failures. A positive plan for prompt, compulsory consolidation is necessary. The second objection is even more weighty. Nobody has confidence in the big private banking interests which would have to take over the little ones. We don't want banking monopolies run by our Charles E. Mitchells. If the banks are to be combined, they must be taken out of the hands of private financiers. The only possible solution, if we want a real solution, is a banking system run not for profit, but for service to the country. It must at least be mutualized. (The mutual savings banks have stood up better under the present difficulties than any other type of banking institution.)

There is a way to bring about promptly a unified banking system, consisting of a few big banks, not run for profit, and capable of conducting banking in the public interest. Congress could instruct each Federal Reserve Bank to buy the stock of every bank within its district which accepts demand deposits or makes commercial loans, whether this bank is open or closed, and whether it is a national or a state institution. The value of the stock should be ascertained by assessing the present market value of the bank's assets and subtracting from them its liabilities. The owners of the national banks could be compelled to sell by canceling the charters of all who declined to do so. The owners of the state banks could be compelled to sell by requiring all banks to take out national charters.

The value of the stock of insolvent banks would be zero, but the stockholders would be richly recompensed by relief from excess liability. To exchange for the stock of solvent banks, the Federal Reserve Banks could be authorized to issue non-voting preferred stock yielding, say, 5 percent. Profits of the consolidated banks would be used, first, to pay any depositors of closed banks whose deposits could not be restored by the mere process of merging assets. (Depositors are preferred creditors.) Then profits would be devoted to dividends on preferred stock and an amortization fund for its retirement. Any excess profits would be devoted, first, to building up an ample surplus, and, after that was accomplished, to dividends to depositors. (At present, the profits of Federal Reserve Banks go to paying dividends on stock up to 6 percent, then to surplus up to a certain amount, then to the United States Treasury.)

Since the member banks already own the Federal Reserve Banks, the result of the purchase would be twelve self-owning commercial banking aggregates, with limited profits. The twelve Federal Reserve Banks would become holding companies for the commercial banks. They could proceed to merge these banks as required for good administrative and financial policy. The presidents of the commercial banks would become managers of branch banks. Bank officers would be required to forgo all participation in other business. If it were desired to keep some measure of autonomous control such as is now provided by boards of directors, local credit committees could be elected by depositors to pass upon loans and decide such policies as should be decentralized. But the Federal Reserve Banks would maintain administrative power over large policies and banking standards. They would also, as at present, receive most of the reserves of the local banks, rediscount commercial paper and distribute currency.

It would be desirable to substitute for the Federal Reserve Board a single United States Bank, which would centralize the reserves of the Reserve Banks, act as a bank of issue and determine open-market policy.

There remains to be considered the appointment of those who would operate the system. Certain changes might be made in the present method, but surprisingly few are essential. The Federal Reserve Board, which would become the directorate of the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

National Bank, could be appointed as at present. The Federal Reserve Banks now have boards of nine directors, three of whom are appointed by the Federal Reserve Board, and six of whom are elected by the member banks. Of these six, three must be bankers and three business men or farmers with no banking connections. It would be desirable to keep the three directors representing the branch banks, to give effect to the occupational interests and standards of the profession. The three outside representatives might be chosen in some other way, but particular care should be taken to assure labor and farmer representation.

This is merely a crude outline, many details of which would have to be filled in. But its essentials would produce, beyond peradventure, the following desirable results:

1. Fairly prompt restoration of about $11,000 million of purchasing power locked up in closed banks.
2. Complete assurance that there would never be another bank failure, another run or another money panic, so long as the financial structure of the whole nation did not crash.
3. Twelve big banks, each having a monopoly of commercial banking in its region, not privately owned or run for private profit, and capable, by administrative authority, of executing sound banking policy.
4. An independent, single, publicly administered central bank, capable of exercising as effective control over credit policy and other banking matters as the Bank of England.

There remains much to be said concerning what sound banking policy is. Does it demand more use of bank credit for commercial loans, and less for collateral loans and long-term investments? Does it demand segregation of personal checking accounts from loan accounts? Does it demand separation of commercial banks from investment affiliates? Whatever it demands, or seems to demand at any particular time, here is an instrument which could be used to execute the policies required.

This would not be a "socialized" banking system. A really socialized system is impossible unless industry itself is socialized. Nor am I under any illusion that a good banking system alone would solve the major economic problems. Much more is needed than control of credit or currency. But here is a mutualized system which could serve our present order as well as any system could be expected to serve it, and one which, if we ever create a planned society, would be capable of becoming an efficient unit of that society.

GEORGE SOULE.

Panaceas for the Depression

I: *Solving It With a Thirty-Hour Week*

The present depression has brought to public attention an amazingly large crop of panaceas, of various types and purposes. While many of them are of no importance, a few are of sufficient interest to deserve detailed description. These will be described in a series of articles by Mr. John Chamberlain, of which this is the first.

In his second article, to be published in the near future, Mr. Chamberlain will discuss the Malcolm C. Rorty Plan.—THE EDITORS.

IN PAST depressions Do-nothingism has seemingly been good counsel for America; the supporters of the status quo who have preached "Hold on and wait for a break" have always been justified—for themselves and their children. Always the Providence that takes care of drunks, fools and the United States of America has intervened; the hard times of the seventies were visibly eased for Americans when European wheat crops encountered a series of bad years culminating in the "black year" of 1879, and when the Russo-Turkish war closed Odessa to grain ships; and in the late nineties the price of the American agricultural surplus was restored by similar foreign crop failures, plus the gradual increase in the world's gold supply. The World War, it is generally conceded, broke the back of an incipient period of depression after 1913. The creation of new markets and new purchasing power is the *sine qua non* of breaking a depression. Put negatively, in Lawrence Dennis's words, "the most essential aspect of the social failure to command business is inadequate markets."

But the fact that markets have always miraculously sprung to hand in the past for Americans with goods to sell, whether through wars or acts of God, does not mean it will always be so. A new war might very well save the American profit system for a time—and eventually drag it down in the course of a series of revolutions. Similarly, acts of God may not be so health-giving in a tighter world as they have been in the past. And if Justice Brandeis could, by appealing to history in 1924, predict a reversion to the pre-war price level, we may, with equal wisdom in making the same appeal to history, predict some twenty or thirty years of hard times to come.

Meanwhile, more than 15 million men remain unemployed, and the purchasing power of those still working is steadily being cut by "share-the-work" tactics and diminishing savings. Those who counsel

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

us to hold on and wait for the break are only betting on the turn of fortune; this *may* be a depression with a qualitative difference. If the hard times continue indefinitely, every panacea may have its brief —and socially valuable—day in keeping a few people alive a little longer.

Of the schemes proposed, the most promising, on its face, is the proposal to compel business to function under a national labor shortage. A labor shortage would mean work for everybody without disturbing the ownership of industry. Even if, at the start, the hiring of all the unemployed involved the lowering of wage rates, the loss would, on the face of it, be temporary. For, so the argument runs, labor's bargaining power would be so increased under a compulsory three or four-day week that strikes, unionization, sabotage and the desertion of uncongenial jobs could be counted upon to force a revision upward the moment prices commenced to rise in such volume as to be burdensome to the worker.

Up to last fall the inauguration by federal law of the five-day week and the six-hour day was scheduled, like the Revolution, for some dim date beyond 1940. Legalists, recalling the Supreme Court refusal to justify national regulation of child labor, insisted that workers, under the American Constitution, must be protected in their right to bargain for long hours and low wages; they must have "freedom of contract" as well as their employers. But on October 31, in Boston, President Roosevelt spoke for the five-day week; and on December 16, Miss Frances Perkins, now Secretary of Labor, came out for the thirty-hour week and prohibition of child labor. And William Green, addressing the American Federation of Labor convention at Cincinnati on November 17, committed his organization to the program. Later, in January, Mr. Green warned the United States Senate that the American Federation would strike for the thirty-hour week if it were not forthcoming voluntarily. The most effective statement of the case for compulsory shortening of hours is not to be found in the speeches of the leaders of organized labor, but in a book by Arthur Dahlberg, an engineer-economist, called "Jobs, Machines and Capitalism" (Macmillan).

Mr. Dahlberg commences his plea with an almost technocratic analysis of the situation. How, he asks, do we adjust to the immigration of millions of mechanical men? This may sound like the familiar and hotly disputed argument about the evils of technological unemployment. However, Mr. Dahlberg willingly admits the contention of John Stuart Mill and the Marxian "revisionists," that labor displaced by machines is "released" for "reabsorption" jobs in distribution, styling, advertising and the luxury trades. But, unlike Henry Hazlitt, Simeon Strunsky, Walter Lippmann and other enemies of the technocratic analysis, Mr. Dahlberg insists upon a distinction between the production of goods for which there is a spontaneous demand and those for which a demand must be forced through high-pressure salesmanship. Reabsorption jobs, so Mr. Dahlberg argues, are different in kind from the jobs at which mankind labored until the industrial revolution really created unemployment.

The fundamental trouble with the "reabsorption" worker is his lack of bargaining power. Inasmuch as the rich naturally tend to lag in spending money for the non-spontaneously wanted goods, the moment the profit level tends to sag in the down-spiral of the business cycle the industry creating non-spontaneously wanted goods is put in immediate jeopardy. The man in the advertising agency, the customer's man in Wall Street, the maker of frills, the hired man at a Coney Island merry-go-round, cannot strike to maintain his rate of payment, for he knows his job is at best a tenuous one, and functionally unnecessary in any larger social sense. As for the workers in what Mr. Dahlberg calls "self-created" activity—the plethora of insurance salesmen, the owner of a servicing station, the proprietor of a hot-dog stand—if they militate for an increased cut of the national income to combat the trend of profits, the public is very apt to say, in effect: "No, and good riddance to bad rubbish."

It follows, in Mr. Dahlberg's refreshingly non-classical economics, that the worker who depends on non-spontaneously wanted goods for a living is always a potential threat to labor in the more basic industries. For, the minute the man with the service station is driven out by increased competition for the pennies that come his generic way, he is likely to turn up at the steel mill, the railroad yard or the rayon plant, clamoring for work at any wage.

Moreover, as ancillary to his argument, Mr. Dahlberg sees in the duplication of plant in the basic industries another sword of Damocles waiting to drop on union labor. The total purchasing power of the community is, obviously, 100 percent. Two percent, let us argue, is the annual apportionment of the national budget for shoes. As soon as the shoe factory cuts its labor cost, the increased profits attract new capital to the shoe industry. This capital goes into excess plant; in short, into Stuart Chase's "tragedy of waste." Gradually you have more factories fighting for the two percent of the national income spent for shoes, with all the entrepreneurs and stockholders together making no more money between them than the original factory owners were making before the technological improvements cut the cost of labor. When times are good, this waste is a boon to the workers; it creates jobs. When times are bad, it is equivalent to a scab threat. For, as the competition for the business increases as the price trend sags, the weaker units in the industry go to the wall—and men are thrown out of work. Efficiency is eaten up in waste in good times, and in bad times the waste is a factor making for "technological unemployment" at one remove.

What is the answer? Mr. Dahlberg goes to the World War period for his lesson, as the social

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

planners have also done. During these war years the market for fripperies was drastically curtailed; styling diminished; the War Industries Board cut out a lot of senseless variation. But the killing of the "reabsorption" jobs did not, in these years, react upon union labor to ruin the wage level. For, as Mr. Dahlberg argues with an effective display of statistics, the drain of approximately one-fourth of the American working force into military channels created a labor shortage. This shortage, says Mr. Dahlberg, coming to the crux of his argument, was *equivalent to making the labor day three-fourths as long as it had been,* and with a resultant boon to trade. Union membership at once picked up; wages rose. Of course prices rose too, during the war years, but income tended to flow more to the mass of consumers which spends money quickly, thus causing trade to pick up. Efficiency, Mr. Dahlberg notes, was lower during the war years, but despite the ineffectiveness of actually lazier workers, the quantity of products increased, and the worker's share of the products increased, so inefficiency made no difference at all to the national well-being.

Now, says Mr. Dahlberg, whose buttressing argument goes all the way back to the England of the labor shortage following upon the Black Death, if the war years meant employment for all, why not take a tip and reduce the available labor hours, not by sending one-fourth of the force to France and the cantonments, but by legislating the compulsory four-hour day and four-day week? This might tend to ruin the market for frivolous goods, and send inefficient business to the wall, but the social boon of work for everyone would more than offset the ruin of national advertising and the decrease in the number of hot-dog stands. The tapping of new levels of desire might be scotched, but a happier nation could get along very well without rapid improvements in vacuum cleaners and wind-shield wipers, and the duplication of shoe factories.

What is wrong with this picture of Utopia? Little, from the standpoint of pure theory. Everything, from a standpoint of social dynamics in the trough of a depression. For what is good, eventually, for society as a whole in this question is indubitably bad, at the all-important beginning, for the individual employer and the manager whose salary is immediately dependent on the state of the market. The individual employer can no more make the first move to reduce labor hours in terms of the individual worker without a corresponding reduction in wages than Messrs. Ford, Filene, Foster and Catchings can instigate an exorbitant increase in wages on the basis of present individual labor hours. With each and every individual employer and stockholder against the measure, and with this class determining the tone of publicity media, it is difficult to see how, politically, the Dahlberg scheme is to be managed. For if capital sets its face against Messrs. Green and Dahlberg, labor, with 15 million potential scabs in the country, can hardly afford to press the issue by going on strike. The moving spirit for the betterment of the condition of labor is thus left where it is at present: in the hands of a few Communists, Left-wing Socialists and Unemployed Councils. Labor, it would seem, must rely on revival before it can press its claims to shorter hours and the resultant increase in wages that will come from increased bargaining power.

The second objection to the thirty-hour week is that, other factors being equal, it implies either world coöperation or autarchy, *i. e.*, nationally self-contained units. For, as congenital free traders of the humanitarian stripe never seem to realize, once the "labor variable" of the hypothetical free market is frozen, it penalizes the employer who is compelled, by social pressure, to accept the frozen variable on the labor market's own terms. Of course, countries with superior resources and inventiveness can stand a lot of freezing in the price exacted by the labor market. But a thirty-hour week, plus high wages, plus the social services that a strong labor movement would inevitably exact, set against a sixty-hour week in backward countries, would almost certainly demand the corollary of a stiff tariff on all goods threatened by foreign competition. It is true that the Geneva labor office has commended the world forty-hour week to the League, but the wicked Japanese, who have recently discovered that westward the course of empire takes it way, have, even in this, refused to play ball.

The final, and perhaps the most devastating objection to Mr. Dahlberg's thesis is that he tends to see the economic problem wholly through an engineer's window. He assumes a world without the undue pressure of bankers, just as credit theorists often assume a world of robots without human desires. George Soule, in his "A Planned Society," has indicated that a great expansion of credit, plus the entrance of governments into the market as large and active purchasers, had a great deal to do with labor's happy lot during the war years. Mr. Dahlberg's workers might be sharing a very high portion of the national income for very little work, and still the credit cycle might operate in such a way as to bring about conditions making for a crash. Obviously, an automobile manufacturer who pays high wages and sells many cars has a good case with his banker for an increase in credit to employ more men and sell more cars, whether his share of the ultimate profits is to be small or great. Mr. Dahlberg's answer to the criticism here offered rests on a large assumption: that a sufficient balance between wages and dividends would be achieved once labor's bargaining power had been increased to a maximum. But there is no assurance that even the worker would spend all his money for consumption goods. Being an emulative beast, and wanting to gain the prestige inherent in not having to work at all, he might tend to save altogether too much. His savings could go

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

into excess plant in two ways: either through direct stock purchases, or through handing the money over to the bankers to be used in brokers' loans. Money rates in Wall Street, under Mr. Dahlberg's scheme, would be high. What could prevent the parsimonious and Spartan worker from playing the game of the investment banker in the hopes of future aggrandizement? Then, too, technological advances, such as those Stuart Chase talks about when referring to his automatic rayon factory, would continue to cut the ground from under the worker, even under a much attenuated working schedule.

For the short run, however, most workers would be willing to take their chances with the future provided they could have higher wages and shorter hours *now*. Therefore, for the present, discussion of Mr. Dahlberg's proposal must center around the first objection: Where, with 15 million potential scabs hanging over the labor market, are you going to get the revolutionary temper required for the necessary legislation? From the unemployed themselves? From President Roosevelt and Frances Perkins, in the process of redeeming campaign pledges? Who knows? JOHN CHAMBERLAIN.

Fourth Year: A Close-Up

CONDITION

THE RAILROAD began laying off men early in 1930. They used the term "seasonal depression." People said things would be better in the fall. Coal loadings would start then, and more cars and more men would be needed.

Business got worse in the fall. There was a little flurry in September and then it got worse. The railroad started to furlough men in earnest. No man could be sure of his job unless he could show a record of five to seven years' continuous service. That was hard to do. People talk about Coolidge boom times, but railroad men can tell you a different story. Jobs weren't so plentiful as you might imagine.

The year 1930 was bad, but 1931 was worse. Old timers, men ten, fourteen, seventeen, twenty years in the service, were laid off. Nobody was safe. Then came 1932 and the railroad stopped trying. They closed up everything. They closed the roundhouse, locked up the car-repair shops, cleaned out the yards, moved the offices away. They boarded up and nailed down. Not even a watchman was needed.

There is nothing left now. The railroad is the town's only industry. There are four or five thousand people here, and they have nothing to fall back on. The road uses barely enough help to keep trains running and they are constantly cutting down the number of trains. The telegraph office in the station has been moved downstairs. One man has to take care of three jobs—telegrapher, ticket seller and baggage man. Outside, the crossing watchman has to be a switchman, too. On the trains, they make the brakeman handle the baggage. That's the way it goes; what few crumbs there are, they double up on.

REMEDY

Mr. Hoover said the R.F.C. would make everything all right. The government couldn't help the states to relieve the unemployed, because that would be a dole. But the R.F.C. would fix things all right.

People were a little surprised when the R.F.C. men actually appeared. You don't expect much from the government. But the men came, and got things started. They plan their work with the advice of the local Red Cross.

They have two projects. All the sewers here lead into a small creek which runs along the eastern boundary before emptying into the river at the foot of town. In the summer, when the creek is low, it is very unpleasant. They are covering over these sewers now, leading them out to the edge of town.

They are also digging out, filling in and leveling off a secondary athletic field in a little ravine on the grounds of the junior college here. The state supports the college. The digging makes a sort of stadium effect. They don't really need this field, but the main idea in both projects is to provide jobs. They want projects that don't require money for materials. Covering the sewers will be really valuable, too, because that affects the health.

This is a small town, and when the call for workers went out, eight hundred men responded. Eight hundred men out of work in a town like this. They take only those who are really in need and apportion the working hours on the basis of need. Seven dollars and fifty cents a week is the most they will let any one man make.

They pay off in scrip. You have to cash it at one of the local stores—no chain stores—and you have to buy all necessities, no luxuries. No tobacco, no candy, no movies. It is always a struggle to provide enough work and enough scrip to keep people from starving. In homes where there is no able-bodied worker, the Red Cross has to distribute flour and clothing. And sometimes the R.F.C. has to pay off its workers partly in cash. But never more than one-fifth, never more than $1.50 out of $7.50. This goes mainly for medicine. People get sick during a depression.

PHILOSOPHY

When the depression first started, Mr. Hoover and the big boys in Washington tried to laugh it off. But after three years you can't laugh it off. People here think the fourth year will be the worst yet.

They are willing to listen now. They don't want to revolt, to overturn anything. They want someone to tell them what is the matter. You can mention Communism, and they won't jump. Nobody will use the phrase, "dirty Bolsheviks." You

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

can mention Socialism and nobody will spring at you. Two years ago you couldn't even speak the words. Now the people are facing realities. Maybe one of these systems has the answer.

They listen patiently while the glittering web of Technocracy is spun out before them. This means the destruction of individualism, of property, of savings; of every value that they or all their race have ever known. Yet they listen. They will listen to anybody who is sincere. Standing in the midst of disaster, these people have a folk-dignity, an earthborn humility, a compassion, that makes their political leaders seem tinsel puppets by comparison.

Politicians afraid to trust the people; politicians mouthing sodden, sorry phrases when the people in this crisis are so far ahead of their political leaders that the very cosmos must feel it.

Keyser, W. Va. T. R. CARSKADON.

Crisis in the Theatre

ONE who read only the New York City newspapers for the past week or two would obtain a remarkable impression regarding the state of the so-called "legitimate theatre." He would get the idea that because of hard times, the theatres of the metropolis were about to close their doors for an indefinite period of time. He would learn, moreover, that this was all the fault of the unionized workers in the theatre, and particularly the musicians and the stage-hands: that whereas the actors had agreed to drastic reductions of salary, these other gentry had refused to take any cut whatever; and that because of their obduracy, the noble-hearted managers are reluctantly forced to go out of business.

A pathetic story, is it not? Well, it would be still more pathetic if it came anywhere near being true. Here are some of the things which the managers' propaganda has failed to include:

That there is very little likelihood of any theatre's closing which was not about to close in any case, because of public apathy toward the play it was offering.

That the stage-hands took a cut in salary of 7.5 to 15 percent, only a few months ago.

That the musicians in the legitimate theatres have accepted a 10-percent cut, and those in motion-picture houses, one of 20 percent.

That the stage-hands have agreed to reduce their crews to the smallest possible number, for every show which is in financial difficulties.

That there is some reason to believe that the managers have seized the opportunity, as have business men in so many other lines, to use the depression as a pretext on which to base an attack upon entrenched unions, hoping to create conditions which will continue long after times get better.

In saying this, there is no assumption that the union men have been plaster saints, for they have not. When they have been on top, they have been fairly merciless—and they have been on top a good proportion of the time for the past fifteen years. They have required that special men be employed for special jobs even though these men might work only ten minutes of every performance, and sit in the corner and play pinochle the rest of the time. They have insisted on full crews for productions which did not need them. While their wages were small when compared with the profits of a shrewd or lucky manager, they were high considering the class of work done and the amount of skill involved. On the other hand, when the managers were on top, they were equally merciless. There isn't much morality about the jungle fight which we call the competitive system. And at present, of course, both managers and workers in the theatre are victims of a common enemy, the depression. Even the landlord, who in the past has usually been the ultimate villain in the piece, throttling art in the cradle if some bastard changeling would produce larger revenue in the box office—even this miscreant is hard hit, and has moderated his former demands.

As for the actors, their spokesmen insist that they have suffered more than anyone else. With more than half of New York's theatres dark, with "the road" practically abolished, and with other sources of employment, such as the movies, also suffering, the actors' lot is far from being a happy one. Many of them, according to Frank Gillmore, president of Equity, are getting even less than the stage-hands and musicians. That this is a serious statement is shown by the fact that, according to James J. Brennan, president of the stage-hands, of the 1,800 members of his organization in New York, only about 600 have been working recently, with the season lasting only ten to twelve weeks. That means that the average man earns perhaps $600 for the season, out of which he has to pay $75 for relief for his fellow unionists who are unemployed. That is not very much money for a competent, skilled worker to earn in a year.

On the whole, the actors as they are represented through Mr. Gillmore are on the side of the managers in the present conflict. Although the actors are union men, and supporters of union labor in general, they feel that they have suffered more than the stage-hands and musicians, so far as wage scales go, and that it is time there was a more equable distribution of the burden. Mr. Gillmore feels that the actors have been discriminated against, just because they are primarily artists, eager for a chance to practise their art, and willing to accept the greatest hardships rather than quit the theatre for other and more profitable fields. Their "working year" is likely to be even shorter than that of the stage-hands, and the rates of remuneration for many of them have been as low as $20 to $30 a week in recent months. They have resorted to all sorts of expedients to keep alive through the hard times.

To the aloof observer, whose job it is not to

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

set up moral judgments but to report the conflict, there is something archaic, something that touches the heart a little, in all three of the types encountered in this theatre tangle. The manager, avid, individualistic, shrewd, an adventurer, a gambler, a padrone and exploiter, seems like a figure in a mural designed to portray the legends of the capitalistic entrepreneur created for us by Adam Smith and Karl Marx. With all these quaint old-fashioned virtues in the midst of the gigantic society of today he seems an admirable tadpole swimming up Niagara. The labor man, the perfected craft unionist, is not only fighting for his economic life, but he sees opening before him an abyss of acceptance of social responsibility from which he naturally draws back. So would any other child of poverty, suddenly asked to develop in himself the combined virtues of the entrepreneur and the artist. The actor, still a little "stagey," with the ancestral voices of his art haunting him like the ghost of Hamlet's father, is like Hamlet himself, suddenly awakened in the midst of a vast modern factory at Elsinore.

As for the public, depression or no depression, it will obviously have to content itself for a long time to come with what distortions of human achievement these three types are able to produce in their enforced, uncomfortable coöperation. And as soon as the depression is over, the landlord and the ticket speculator will return in their ancient glory to make all concerned feel that in the good old days of the depression we really didn't know how lucky we were.

FELIX ORMSBY.

Washington Notes

Shaving the Pensions—3.2 Beer—The Cost of Farm Relief—F. D.'s Friends—The Protective Caucus

IT IS the avowed purpose of Mr. Douglas, the new Director of the Budget, who will wield the power given to Mr. Roosevelt to reduce the veteran-compensation load, not to affect the present pay of any "deserving veteran whose disability is war connected." The details of the bill are too numerous to permit an explanation here, but how Mr. Douglas is to reach his $400 million goal without doing so is not easy to understand. It will be a job. A student of the facts tells me that it is possible to eliminate $220 million without imposing real hardship or touching meritorious cases, but, after that, any considerable cut means distress and suffering, and perhaps throwing the victims upon their community charities. The National Economy League figure of $400 million for the post-war disability cases, it is asserted, is too high, as Mr. Douglas will discover.

Despite the several restrictive amendments as to age, Mr. Douglas will have practically unlimited authority to remake the whole system, and the classes immune from cut are few and small. For example, the one amendment of which he was most afraid was the one designed to exempt pensions and allowances under $1,000. It was asserted that reductions in this class would entail the greatest distress. Mr. Douglas did not share this view. He pointed out that the amendment would prevent a saving of $400 million, and it was beaten.

Of course, the defeat of the veterans' lobby, heretofore irresistible, was a historic and extraordinary thing. It is doubtful whether Mr. Roosevelt could have got his economy bill through except for the banking crisis, which created the necessary public psychology for him. But that he did succeed was an extremely fortunate thing for him and for the country.

As for the 3.2 beer which is to be available early in April for the thirsty millions who have, for fourteen years, hugged a grievance at being deprived of a cherished beverage, it remains to be seen how the public will react to it. The apparently sincere testimony of the experts is that the alcoholic content compares well with the lightest of the pre-prohibition beer and that it will be a satisfactory drink. It is not likely, however, to replace the talented home brewers, who are numbered by the thousands in every state. For one thing, they have been accustomed to beer with a far greater kick. For another, they brew at a price almost inconceivably cheap. After the federal tax of $5 a barrel is imposed upon the state tax, it is difficult to visualize beer at a price that will lure the home brewer from his product or altogether displace the beer bootlegger. But the ability to get a decent drink in a legal manner should have a cheering effect upon the people. It produces a needed revenue, puts some men to work, redeems Roosevelt's pledge and endears him to the hearts of many.

Apparently the President will have far more trouble with his farm-relief program than with the emergency measures of the past two weeks, as is natural and inevitable. None the less, the expectation is that the bill, which embodies the principles of the domestic-allotment, the cotton-option and federal leasing plans, will be enacted. The joint support of the President and the farm organizations should make that reasonably sure. The opposition, largely from Eastern financial, industrial and journalistic interests, will be intense and probably will result in a number of modifications. As one sensible Senator, who wants to support the administration, says, "the bill needs a hair cut." There is, of course, doubt about its constitutionality, apprehension concerning its cost and hostility to granting such tremendous power to young Mr. Wallace, the new Secretary of Agriculture, who estimated before the Senate Committee that the cost to the consumer might reach $800 million a year. This, however, he thought would be a small cost for restoring parity between industrial and agricultural prices. Mr. Roosevelt himself repeats his belief that the bill is an "experiment," but he also makes it plain to party leaders that he considers it an experiment that must be made without delay. And, if he does not weaken in this attitude, made it surely will be.

The dash, daring and drama of the first three weeks of the Roosevelt administration are not, it is needless to say, received here with the unanimity of approval accorded by the country as a whole. That the popular reaction to the new regime has been unusually good is too plain to dispute.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

In this sophisticated sector, however, with its undercurrents of politics and its seething pools of ambitions, unanimity about anything or anybody is too much to expect.

Among the various classes of politicians in Washington by far the most numerous are the new President's adherents, who now fill the offices, run the departments, mold the policies, wield the power and direct the social life. Quite naturally they regard Mr. Roosevelt as a shining hero, whose courage, vision, decision and personal charm have already established him as a great leader of men, destined to rescue the country from ruin and spread happiness and content once more among the people. There is, however, another class of Democrats here—those whose enthusiasm for "F. D.," as Mr. Hearst's headliners have been instructed to call him, came after and not before his nomination—who, despite the popular acclaim over recent achievements, maintain a degree of skepticism about these qualities. Most of these gentlemen are in the House and Senate. There are not many of them, at least in comparison to the first class, and they were, before the convention, admirers, advocates or adherents of Smith, Baker, Ritchie, Young or Traylor—in brief, anyone save Roosevelt. Without exception, they supported "F. D." for election and without exception are supporting him now. But they are distinctly not "close to the administration" and, from the patronage policy so far revealed, are not going to be.

Admitting that he handled the banking crisis adequately and that getting the economy bill passed, with its unprecedented presidential powers, was an extraordinary feat, that the beer message was clever and well timed, still they contend that there has not yet been displayed the force and character to justify a claim to greatness, that what has been done was inevitable and would have been done by any man in his position. There is, of course, a certain amount of truth about this, but the fact remains that the way in which Mr. Roosevelt did these things has made a tremendous public impression and the carpers are largely those whom Mr. Roosevelt has made no effort to clasp to his bosom. If he had, they would be just as enthusiastic as anyone else. Such is the nature of the political animal.

Of course, it is rather striking that of Roosevelt's appointments to date, minor as well as major, there have been so few who did not support him prior to the nomination. However, there is nothing to cause surprise or resentment about this. There are by no means enough jobs to take care of the original Roosevelt men, who certainly are entitled to preference. The only argument on the other side is that there are certain men who did not support him at Chicago who can now be politically and publicly more useful to him than some of those who did.

The truth about the situation here is that the Roosevelt administration has started off amazingly well and the popular support he now has is pretty complete. It was great luck to take hold when things were on the bottom and any action in almost any direction sure to be hailed as good. Nevertheless, the speed with which he moved and the popularity of the proposals made the whole week a cheering one and those who do not think the popular response was great should talk to a few people. Members of Congress know what it was, and what a week they had of it! Assailed by the veterans' lobby on the one side and by the demand of the press and the people to support the President on the other, there were many miserable men among them. The caucus was a welcome protection and it is perfectly clear that the economy measure never would have gone through without it. Incidentally, the House caucus revealed that weakness of leadership mentioned here some weeks ago as likely to be bothersome in the event of the elevation of Mr. Henry T. Rainey to the speakership. Well meaning as he is, the utter lack of control shown by him and Mr. Byrns, added to the bolting of the Tammany members, came appallingly near wrecking the administration program at its start. It was a narrow escape.

Washington. T. R. B.

Did the R.F.C. Save Banks?

Reopening the Bronze Doors—Sheep and Goats—Detroit Trims the Suckers—Honesty as Banking Policy

AS THE Stock Exchange ended its first session following the "holidays," the ticker, ending its record of rising stock prices, clicked off the gladsome tidings "Happy days are here again!" At the moment, I was wading through the news from the hinterland about the banks. Newspaper reports, of course, are confusing and difficult to understand. But after a good deal of checking here is what I made out.

The President on Sunday night announced that the banks would be opened in three waves, Monday, Tuesday and Wednesday. The three waves have rolled in with the following result. On March 4, between eighteen and nineteen thousand banks had closed their doors. By Thursday afternoon, March 16, 9,883 banks had reopened fully and 2,678 under restrictions (perhaps there were a few more, but this was all I could account for). This left 5,500 to 6,500 banks still closed as "happy days are here again."

What kind of banks opened? On March 4, as 19,000 beautiful bronze doors closed, the banks could be divided into two groups—those that had been saved by the Reconstruction Finance Corporation and those that had not required salvation. As the banks opened, I felt some curiosity to know which kind were reporting among those present. The lists are large and, hence, difficult to check. But here are a few results.

In New York a large number of banks opened on Monday and Tuesday. Only one of those helped by the R.F.C. was among the number.

In the Philadelphia Federal Reserve District, out of the large number reported open Monday and Tuesday, only eleven belonged to that group which had been "saved" by those two great bank evangelists, the Apostles Dawes and Pomerene. I am afraid we are going to learn that a large number of penitents who hit the sawdust trail to the Reconstruction Finance Corporation strong-box have turned out to be like so many other sinners on so many other sawdust trails. The salvation just naturally didn't take.

Here are a few eminent examples. In Cleveland there are—or were—three big banks. They are—or were—the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Cleveland Trust Company, the Guardian Trust Company and the Union Trust Company. The first never got any aid from the R.F.C. The latter two required and got plenty—about $30 million. The Cleveland Trust Company opened. The Guardian had among its directors no less a person than little Atlee Pomerene himself. It operated nineteen branches. But when the holidays were over, it couldn't open its doors. The Union Trust Company, presided over, until publicity of R.F.C. loans forced a change, by Mr. Joseph R. Nutt, treasurer of the Republican National Committee, had twenty-two branches in Cleveland. It too could not get a license to open. Now the main point of this is that these two institutions operated affiliates. The Guardian Trust had its Guardian Securities Company, issuing securities, and its New England Company, dealing in real estate. Now it is shut down during the freeze, and its former director and counsel, little Atlee Pomerene, grows red with passion over the publicity given to the R.F.C. loans, "the most damnable incident" in our history, he proclaims. The Union Trust Company had its Union Cleveland Corporation, a security factory.

It was only two brief weeks ago that Mr. Howard Bruce was mentioned as Under-secretary of the Treasury. Yet there he is in Baltimore now amid the silences of his Baltimore Trust Company. It, too, was one of the "saved" banks—saved by little Atlee to the tune of $7 million. It, too, had an affiliate—the Baltimore Company.

The two big banks in Detroit, the Guardian National and the First National—each parts of big holding-company banking groups—also failed to open. Both these groups got salvation from the Reconstruction Finance Corporation, but once again the salvation didn't take.

All these banks, with one or two others which failed to open, got redeemed by the R.F.C. to the tune of over $70 million—wasted money!

The demobilization of their affiliates by the National City and the Chase National in New York City has inspired a few trusting souls to suppose that the bankers who have wrought all this ruin can be trusted to restore banking to good health again without government compulsion. Let those who hug this fond delusion consider the conduct of the bankers in Detroit—a little tale which of course missed the news columns.

The two big banks there were hopelessly frozen. The Comptroller of the Currency notified them that if the large depositors would get together and raise $5 million for common stock, the government, under the emergency banking law, would subscribe to $20 million preferred stock to organize a new bank, to resume banking operations in Detroit and to take over the liquid assets of the two old banks. This was indeed a generous offer. Its importance to Detroit will be seen when we realize that one of these banks—the Guardian National—operated thirty-seven branches and the First National had one hundred and ninety-nine offices in metropolitan Detroit.

The big depositors raised the $5 million. The whole plan was ready for launching. Then a group of depositors who had also large loans with the bank discovered that their loans, under the national law, would be offset against their deposits. Directed by some of the insiders who faced ejection, they formed a bloc which went to work with such vigor that they upset and ruined the whole plan. Hence, at the last moment, the Comptroller had to step in and take over the two banks under the conservator plan. A handful of insiders and borrowers have rendered Detroit almost bankless and moneyless.

There is another facet to this Detroit story. Somehow bankers have been trained in the theory that the way to manage depositors is to catch 'em early, tell 'em nothing and treat 'em rough. The Detroit Clearing House Association decided to issue scrip. Then they decided not to. The simple, obvious way to manage the shift would have been to announce it. But no. The banker must be subtle. Mr. Robert O. Lord, head of one of these closed banks, also head of the Clearing House, announced Saturday that they would have to abandon scrip as Detroit was being flooded with counterfeit scrip bills. This turned out to be untrue. Here is what actually happened. The Clearing House itself, when its scrip was printed, had counterfeit plates of the bills made by five other engravers to show how easily counterfeiting could be done. Then they announced the town was flooded with counterfeits. Just a little way with bankers. They just won't let the saps in on the facts.

Here is a slant on the subject of lying to the public as a policy. The Corn Exchange Bank in New York City recently shocked bankers by publishing full-page ads in the New York papers giving in detail an account of all its investments. It was almost criminal candor. Even the poor investments were included. I was naturally curious to see how the Corn Exchange came through the crisis. Here is the story. In two months New York banks lost nearly a billion in deposits. The Corn Exchange did not share in a dollar of that loss. In the week preceding March 4, New York banks suffered withdrawals of $400 million. The Corn Exchange actually increased its deposits by $2 million. Can it be that honesty and truthfulness is the best policy? There is a dangerous piece of radicalism for you.

JOHN T. FLYNN.

On the Death of Senator Thomas J. Walsh

An old man more is gathered to the great.
Singly, for conscience' sake, he bent his brow:
He served that mathematic thing, the State,
And with the great will be forgotten now.
The State is voiceless: only, we may write
Singly our thanks for service past, and praise
The man whose purpose and remorseless sight
Pursued corruption for its evil ways.

How sleep the great, the gentle, and the wise!
Agéd and calm, they couch the wrinkled head.
Done with the wisdom labor could devise,
Humbly they render back the volume read—
Dwellers amid a peace that few surmise,
Masters of quiet among all the dead.

YVOR WINTERS.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The Problem of Art Criticism: I

I WAS offered once the position of art critic and editor on a leading New York newspaper; but I declined partly because of the problem involved in writing such criticism. And now, at the moment, I am led to this discussion by a letter about my review of the Retrospective Exhibition of Maurice Sterne at the Museum of Modern Art. I will not cut the letter much, but taking up the main points of it as they come, will try to answer them. Afterwards I should like to consider the case of writing any criticism of painting, especially for a book or for such a journal as The New Republic.

From the letter:

"Mr. Young was looking almost exclusively, I think, for poetic and literary satisfactions; I was trying, I think, to find in the pictures a series of masterful solutions of the architectural problems in painting—a series of successful endeavors 'to organize masses in harmonious and dynamic pattern.' "—I doubt if anybody ever went to an exhibition trying to find merely organized masses, etc. In my review I assumed that painting is good as painting before it is important at all. It is true certainly, as the writer says, that I was looking, as always in any art, for poetic satisfactions, since creation—or poetry—which Plato defines as that process by which something is where something was not before—is the aim of art. Poetic, then, yes. But "literary" is another matter. To look for literary satisfaction in a painting is to be a fool; you look for that in literature, which is the medium of the literary.— "Mr. Young enjoyed exactly the poetic, dramatic and literary experiences that he was looking for as a sensitive critic of the theatre and the art of acting."—I have seen, counting in Europe, of course, much more painting and architecture than I have theatre. Owing to its impurity as an art medium involving so many arts and thus dependent in so many directions, the theatre rarely affords me any instance of a perfect whole; which the other two arts often do.—"What really interests Mr. Young is not Mr. Sterne's solution of formal problems but, overwhelmingly, the artist's subject matter and the delicious reverberations that it starts echoing through the storied chambers of an erudite and traveled mind."—Taken strictly, this would make me out almost wholly blind to the fact that a painter must be a painter, and would lead me back to that joyous band who, not seeing that it is scarcely a painting at all, like "The Death of Chatterton" because it shows a sad young poet who has killed himself in an attic. The writer scarcely means that. Nevertheless, as regards subject matter, I could agree, in theory, that the painting perfection being equal in each, the painting of a tennis ball might rank with a painting of Venus Rising out of the Sea, exactly as God might be as manifest in a mustard seed as in a storm over the mountains. I should only contend that the orchestral possibilities in forms, in excitement of responses, etc., gives a certain advantage to the Venus subject matter. The great mistake of my correspondent is that he here confuses *subject matter* with *content*. Any idiot of a painter could paint the Grand Canyon (his subject) and create only what is idiotic. But without content the very idea of art is inconceivable; if you throw a box of matches on the floor they will end in a set of relationships that involves at least something. In a successful painting the content has the relation to the visual whole that a principle of crystallization in some chemical solution has to the crystal that achieves a visible form. I prefer at times one of Mr. Sterne's subjects to another, as I might prefer a tree to a mashed worm (though it is true that I'd prefer him painting the mashed worm to Mr. Abbott Thayer painting the tree). Maurice Sterne's painting interests me, obviously, for the content (or essence, or idea) that he forces the subject matter (or material) to express, when he translates it into the art of painting. But that does mean I do not begin with the pure painting side of his work.

Next. "This exclusive concern with subject matter is most completely revealed in Mr. Young's account of the pictures he dislikes—the still-lifes and the peasant portraits. These he dismisses, not because they are badly designed or faultily harmonized, but because of his 'revulsion to the originals,' and because his tired prejudice against post-Cézanne fruits and tablecloths kills his pleasure . . . " etc.—I did not "dismiss these pictures"; I was only trying to imply their painting values by showing that they stood up so strong in their power to wring from me their merits. And I did not assail fruits or cloths, but the wrinkling of the cloths. I have no objection to these in Cézanne; but to the brainless repetition of them among artists who miss the purpose involved, which is an increase in pattern interest and complex pictorial organization. As for that, I suppose anyone would admit that if he has been fed bad oysters for ten years, it takes a very good oyster to overcome his discouraged zest. In the same way it may be true with regard to the wrinkled cloths, that a long erosion by pointless imitation has brought me to where some (I said *some)* of Mr. Sterne's use of this device must be stronger than it is in order to command me. How easy it would have been to dodge this point, speaking only of planes, organized, et cetera.

" . . . Again his absorption in the associative and secondary values in painting. He applauds the artist's grasp of the 'inner point of the foreign' . . . his ability to give us the psychologist's comprehension of the ethos of a primitive or remote people. In this connection it is amusing to note that (according to Mr. Young) Sterne failed to exercise this racial vision in his picture of the Negro high-school teacher, because he selected a Northern Negro type for his model, a selection which seems to me to have little to do with the failure or success of the artist in solving the problem he had set for himself in this particular picture."—Granted genius, it may be that some psychologist might express in words about these people what Mr. Sterne has in painting; if so, it would only mean that another great artist has arisen, this time literary. My other point is self-evident. I spoke of the picture with regard to the "racial vision," solely this. The Northern Negro model had not the characteristic lines, movement, etc., that could more easily have helped the painter toward what he was after. I saw the picture in several stages and know what, in addition to "organized masses in harmonious and dynamic pattern," he was after.

"Mr. Young is tremendously excited about one of the Bali canvases of temple worship, because, in it, Sterne catches and communicates the beautiful design that 'rever-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ence' causes to grow in the body as emotion stylizes itself in ritual gesture. With the help of . . . Duse, Giotto and Poussin he gives us to understand that this communication of reverence is one of the 'great signs in art.' "—I was only trying to stress the *line* (basically pictorial, of course) by which this painter expresses a certain something that might be called the piety—in the Latin sense—of life giving itself to life. I brought in the names as a way of noting how this line, in its essence, finds itself a body in other persons, other arts. I said nothing about reverence causing anything to grow in the body, I meant only the achievement, rare enough, of a line to express the growing reverence, which, as an inner thing at any rate, is not rare, though in art it is seldom discovered.—"I am still convinced that Mr. Sterne, here, as elsewhere, austerely refrained from the expression of ethical or sociological comment . . . is essentially dispassionate and detached. It is almost impossible to learn anything about him from his art, for whatever his ideas about love, religion, government and the institution of private property may be, they do not penetrate his pictures."—The points here are, first, that Maurice Sterne at his best expresses whatever he likes and leaves out only what he cannot express in his medium, which is the art of painting. In this sense he is, also, dispassionate—though not unimpassioned—and is detached, in the sense that he must cut off whatever is not organic to the painting medium or the totality of his idea. I should say that you learn all the essences of him from his art. This is the major part of his greatness as an artist, and also, though in a somewhat different and indirect technical sense, as a painter. As to the "ideas on private property" point, such a remark contradicts the whole of my correspondent's remarks about painting. Painting is a language, with its own special field and in its own terms, music is a language, poetry is. So far as essence goes, what we might call the eternal abstract, the same thing can be expressed by all. After that point they part. It is obvious that, in real painting terms, you could not say "The thought of eternity gives me a sense of space." You could say it, as far as words convey the mere sense, plus some emotion, in poetry. In painting you could do nothing definite, or at any rate direct, about it. In music you could give expression to some essential emotion or elevation that might express a certain phase of this thought. What Maurice Sterne thinks of Mr. Hoover, then, cannot be found in his paintings. What he is like, and hence what kind of love he would conceive, or religion, or even, in some phases, government, is far more than deducible from his work. He is not the most gabbling, but he is the most revealed, in every basic sense, of any American artist.

Of the "Bread Makers," the letter quotes me as saying that it is poignant with all the truth of simple Italian life, and adds "which suggests that it is Italian life and not design and color that detains the critic here." I insist that the poignancy of this truth and the expression of it in the painting of the picture are inseparable; else any silly painting of the same subject would work the same end. If it were not good painting it would not be the "Bread Makers." And "The Winding Path" conveys about its subject a sort of Franciscan truth, the letter quotes, and adds, "What esthetic pleasure remains for those who do not know Italy . . . or are not accessible, without study, to Franciscan truth, Mr. Young does not indicate."—I do not do so because Franciscan, in its sense of the gentle, humble, vivid in image or in shy, homely allegory, has as definite a meaning as "Spartan" or "Colonial." I used only a way of saying that, *in painting terms,* the same quality is present. I could have spoken of the painting, how the paint is here thick, here thin, the tree thinly painted resting on the bank, as if dreamt, the yellow and gray arrangements, the repetition in rhythm, making a sort of humble progress to the top of the composition, etc.

"In the discussion of 'American in Anticoli' Mr. Young gets nearly down to business . . . notes that attention has been concentrated on the central figure . . . praises 'the beautiful living rhythms of the three figures' " (I did not say that, which is only art-talk cliché, but something much closer to the Sterne mind; I said, "the beautiful living rhythms of *unconscious stillness*"). "He detects the diagonal sequences which enrich the composition."—Nobody with eyes could have mistaken them for rectangular sequences, and both phrases are only the usual art-talk patter—"and finally persuades us that the poetry of the picture does not arise from the fact that we see a lovely girl taking a bath in an Italian setting of 'hill and wood, houses and air, that Saint Francis might have loved,' or 'that we know as Dante knew,' but from the 'superb structure of the composition.' "—I am truly sorry if I persuaded so. There is a poetry that can be found in abstract design, in a medium of paint, in space relationships, in a certain element in poetry, and above all in music and architecture, which are of all the arts the purest and freest of anything outside themselves. I said definitely that the superb structure of the composition was "the bones and posture" of the picture's poetry. I hoped the point would be made clear by this human analogy betwen the self (the soul, the poetry) and the skeleton and body, this body of ours that is visible and is seen in expressive movement.

"Mr. Young spoke of 'paint, which must be a lust' and 'design, which must be a celestial love.' . . . That paint (by which I assume he means color) is a profane lust and design a sacred love, I can by no means agree. For I cannot see . . . why the libido should be more inflamed by researches into the orchestration of color than it is by the organization of masses and dynamic patterns."—I did not say *color.* I said paint (pigment), which is a sort of glamorous flesh for which the painter must burn. (I was trying to point out the marvelous use of the painting substance in this latest Sterne picture, all sorts of manipulations and textures.) As for color, it is often as much, now and again more, an element in the picture's design than sheer line is.

Mr. Young unfurls "page after page of museum reminiscences and souvenirs—Pollaiuolo, Whistler, Giorgione, Poussin, Gothic sculpture, Florentine . . . which are not really of great importance in helping us to evaluate Sterne's art, though useful perhaps as a Baedeker."—This is nonsense. In the first place we are dealing with a retrospective exhibition of a fine painter, with many periods of development, a tireless student of this master or that, this subject or that, at one time or another. The knowledge of such influence helps us indeed to "evaluate Sterne's art." The extent, for instance, to which he absorbed a master, made that quality his own, and passed on his own way,

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

offers a vast comment on him. It also illustrates the fact of tradition in all art, and of influence, which is not, with such a painter, only imitation and quotation but an entrance into another's life.

"It is a romantic approach . . . unfair . . . does a great disservice to an artist like Sterne whose lifelong effort, I should judge, had been to purge his product of all romantic superfluities."—But not purge it of essence or his own spirit. I have never found Sterne romantic, but what if he were? As for superfluities, nothing, romantic or otherwise, in "his product" can be superfluous except that which he has not, in terms of his painting, made his own.

In another article I will discuss the problem of art criticism.

STARK YOUNG.

Both Your Houses

Both Your Houses, by Maxwell Anderson. Royale Theatre, March 6, 1933.

MR. MAXWELL ANDERSON'S play of Washington politics, produced by the Theatre Guild, was to me interesting all through, or perhaps highly entertaining might be a better way to say it. A young man comes from Nevada, he is on the Appropriations Committee; he has high purpose; he is forced to play the others' game, and on this ground loses. All the characters are men save two, who between them wet-nurse a faint love theme. The acting in "Both Your Houses" was never significant but never insufferable; just people walking through people, with one exception, Mr. Walter C. Kelly, who played very finely the disillusioned, drinking, winning old Senator, the only role in the play where the writing was notable. It was both entirely convincing and rich with Mr. Anderson's poetic insight, an example of what the poetic really is, regardless of the form or the place. Mr. Shepperd Strudwick played with a good nervous tension the young Nevada aggressor.

Of all Mr. Anderson's plays this seemed to me the smoothest in construction; it went with most agreeable progress to its end. It dealt with material shameful enough for us to be excited and crusading about; but on the whole it seemed written with a mild newspaper degree of passionate indignation or thrust. At the end it did promise a certain amount of awakening among the people, but the effect was of some flourish for the story's curtain. Nor was the whole drama, taking the other extreme, written with any devastating bath of humor, such as Molière—to cite summits—employed in "Tartuffe," smiling so quietly and ordering the parts of his plot with such perfect progression that it took him five years to get permission for its presentation, and then only by command of *le Roi Soleil* himself. I feel certain that few if any in the audience carried away with them either any sting of indignation or poison of laughter that Washington might bother over, or much else beyond a jolly bit of stage scrip. "Both Your Houses" is thus at bottom only a crook play, and an unusually entertaining one, thieves, loot and sleuthing in a big national way, faint romance, plus some aggressive information. It has also the advantage of being not only perennially apropos in the case of our government, but with a special click apropos at this moment. S. Y.

CORRESPONDENCE

The Civil War in Germany

SIR: In no other city can one feel more definitely the approach of civil war than in Red Hamburg. I just came from Berlin: the city is as quiet as a cemetery—apathy is general. Nazi placards are seen everywhere; only Nazi speeches are heard on the radio. Superficially it would seem that Red Berlin has gone Fascist. Only the working-class section of Berlin is still alive.

In Hamburg, however, things are much livelier. I sit at the seamen's quarters of the American consulate, waiting for a chance to ship back to the States. The atmosphere is dense with smoke. Jake, a little red-haired and broad-shouldered German sailor who has been deported from the States and is very eager to return, is giving me the lowdown on the Geman political situation:

"Them Germans are funny beasts. *Aber sie haben doch keine* brains. All you need is to go out on the street with a band: *ein, zwei, drei* . . . and they're ready for new elections."

"Don't be so pessimistic, Jake," interjects Fritz, another authority on Germany. "Don't believe him, buddy. He's sore because the Sozis [Social Democrats] are getting licked. The German workers are no worse than any other workers the world over, only the objective conditions are not yet ripe."

The moment Fritz mentions the "objective conditions" I at once know to what party he belongs. But there is no animosity between Fritz, the Communist, and Jake, the Sozi. Here the united front has been effected quite easily. In fact, the more I speak to German workers the more I am convinced that there has been accomplished a sort of united front from below, in spite of the leadership of both parties. The German workers seem to know their common enemy.

Sitting here in the room and listening to the wild rumors circulated by the seamen, one may think that civil war has already begun in Germany. Every once in a while a new man comes in with a fresh story of so many killed and so many wounded. . . . I saw one shooting with my own eyes. On Thursday evening, March 2, there was a parade of Nazis in Rottenburgsort. When the Hitlerites march, policemen run ahead with shouts: *"Strasse frei!"* No one is even permitted to look out through the window. One old fellow stood in the window and smiled. In spite of repeated warnings he did not move. Then I saw one young Nazi take out a short sawed-off rifle, aim at the old man and fire. The old man disappeared. The shot was apparently a signal for the police, for it was at once followed by the rattling of a machine gun. I fell to the ground and a moment later ran without looking back. Next day I learned from the paper that the killed man was totally paralyzed. . . .

The fight seems to be mostly between Communists and Nazis. The Communists are fighting like lions, dozens of them are being killed every day. But the odds seem to be against them for the moment. The Social Democrats are sandwiched somewhere in between. Yes, where are the Social Democrats, this powerful party that once controlled 21 million votes? Shall I say like Fritz: "Still licking the boots of Hindenburg"?

LEON DENNEN.

Hamburg, Germany.

Human Nature in Russia

SIR: Some of your readers may be misled by one of the incidents which illuminated E. C. Lindeman's acquaintance with some of the aspects of human nature under the Soviets [The New Republic, March 8]. I refer to the case of sex jealousy. To get its significance the setting needs to be included. The place was a public dining room in Moscow specially organized to care for the appetites of foreigners. The "noted Russian" was a writer who was able to entertain his foreign acquaintance there because of the American purchasing demand for skillful analysis of the pattern of sex behavior which, according to Mr. Lindeman, he personally exhibits. The relation of the occurrence to the sex attitudes of the Soviet population is about the same as that of a similar incident in a New York night club to the sex behavior

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

of the people of the United States. It is characteristic of a certain set in that generation which has one foot in the old Russia and one in the new and so cannot move.

The direction of change in all aspects of human behavior in the Soviet Union is to be found among that generation which has come to consciousness since the Revolution and therefore has been conditioned entirely by the Soviet environment and teaching. It is the dynamic section of this youth which is the spearpoint of every advance in life in all communities. The course it is charting may be seen clearest in places remote from Moscow and plainest among what were, before the Revolution, "the backward peoples." The literary vanguard of this younger generation has specifically repudiated the works and ways of Mr. Lindeman's "noted Russian," declines any longer to recognize him as "fellow traveler." Its active rank and file scornfully describe the kind of dancing that led to Mr. Lindeman's embarrassment as a decadent expression of a senile society. Among them one may find, alongside other opposites of the behavior patterns against which Mr. Lindeman rebelled, the "romantic impulse in sexual relationships" which he anticipates. And with it there is manifest the desire for, and the expectation of, a permanent partnership. This may bulk no bigger at one end of the scale than does the kind of behavior he illustrates at the other, but its significance is that it appears among the young altruists who are making the Russia of tomorrow.

New York City. HARRY F. WARD.

"The Program Continues"

SIR: And now an earthquake. It's very hard to describe to you the feelings of the people who gathered downstairs in the apartment house after the big shake on Friday. The banks had been closed a week; the studios were closing—the union men refused to take a 50-percent cut. In my house almost everybody works in the studios, and girls who were supporting families on twenty-seven-fifty a week had been cut down to fifteen; and now even that was being taken away. This hey-hey place, this gold-rush town, Hollywood, was at any rate depressed. A few took everything as a joke, but it was a bad joke, and there was a bad taste in the mouth. When this thing that came out of nowhere suddenly *was, existed,* could be felt, when the noise, like that of hail, when the walls began shaking, and the lights dimming, and the thing continued, and the radio happened to be on, the voice of the announcer said: "There is an earthquake." There happened to be a Catholic priest at that radio station and the announcer said: "Let us pray."

For a few minutes no one knew anything. Everything was very still. We went downstairs. A few women had fainted, had been helped down to the hall. A few weren't dressed. It was very silly, and it wasn't very silly. Plaster was down. From an open door came the radio: "The program continues." A violin played. I want you to understand that at that moment not one of us felt a damn thing.

The radio was on. The radio stopped its violin and said: "Is there an amateur short-wave station that can reach Long Beach and San Pedro? The wires are down. The program continues." The program continued all that evening. But it was cut off every few moments. "It is recommended that the population of the beach cities leave the towns. A tidal wave is expected." There came another shake, not so strong. The radio said: "It is estimated that five hundred are dead in the beach cities." Estimated by whom? The fleet happened to be in San Pedro. The radio said: "Fifteen thousand Marines have landed, and the situation is well in hand." The radio begged for doctors and nurses, the radio begged for a short-wave amateur to exist in Long Beach so that it could transmit news and orders to the city, the radio exaggerated, the radio lied, the program continued, we waited for more shakes, and we listened to the radio.

There was a girl whose mother lived in Long Beach went hysterical. The radio said: "Please stay away from Long Beach." (The girl found her mother on the next day in a bungalow court of which the walls had crumbled, in the same position the 'quake had caught her, unhurt, but her mind quite gone.) "Looters will be shot. . . . All American Legion men report to Long Beach for patrol duty. . . . Martial law. . . . Don't take ammunition. . . . Shoot on sight, to kill."

"Johnny went to the movies. My God where is Johnny? . . . Please shut off your gas. . . . The oil fields are on fire. . . . The movie studios have collapsed. . . . Did you hear the radio? . . . Look at the chandelier." (For the next three days we did nothing but look at anything that hung. If it swayed there was another 'quake, not imagination.)

People went up to their apartments, and then there was a shake and people came right down. "Don't go outside." (It was very hard not to go outside, even though inside was said to be safer.) "Stand under an arch. . . . As bad as the San Francisco 'quake, or not so bad. . . . God must have been trying to shake the banks open."

All that night we listened to the radio, to the program that continued, to the rumors that people in their excitement had made up, had passed, had frightened others, then had heard themselves and had been frightened. We felt shakes, fainter now. Our house was quite undamaged. Some had decided to go back home East. Some were going to move into small houses. Some had just lived through their first earthquake.

A few miles away, in San Pedro, Compton, Long Beach, there was all that night a fog, that prevented one from seeing the ruins. There were many shakes that night, it was very cold, and then the morning came, the sun dissolved the fog, and the people saw.

Hollywood, Calif. NATHAN ASCH.

Unemployment Insurance at Albany

SIR: As chairman of the Legislative Committee of the United Neighborhood Houses, an association of New York settlements, I want to bespeak the interest of your New York State readers in the Wald bill for unemployment insurance, now before the New York State Legislature. The features which we believe make it a wise social bill as well as a practical one are the following:

Benefits:

For a single person, 50 percent salary, but no more than $12.50 weekly.

For a married person, 10 percent extra for dependent wife or husband, and 5 percent extra for each dependent child or parent. Limited to 75 percent of salary, or no more than $17.50 per week. Benefits limited to sixteen weeks.

Contributions:

2 percent from employers (of pay roll of employees covered)

1 percent from employees.

State to administer fund.

Those covered: All manual workers, and others earning less than $2,500 per year, with certain exceptions.

We are convinced that contributions from employees are necessary to pay satisfactory benefits, and that the theory of employee sharing is socially expedient. Contributions of employers can be raised to 3.5 percent or lowered to one percent to encourage stabilizing of employment. One general fund is created. Segregated funds violate a basic insurance principle. Special clauses take care of seasonal, casual and short-time employment. Those working part time are entitled to partial benefits.

New York City. ERNEST ANGELL.

Selling Art to Main Street

SIR: In these hard times, when artists are having a desperate struggle, your readers may be interested to know of a successful coöperative movement in a village near New York City which is making progress by methods applicable in almost any community. The object is to bring artists and the public together in teamwork for the common good. Here in Dobbs Ferry and near-by Westchester villages a drive was made by artists to encourage buying goods from local dealers. Cards were lettered with the slogan "Buy at Home" and given to the merchants. In return, the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

merchants gave space in their windows to paintings by the artists until Main Street became an art gallery. The plumber, the banker, the butcher, the druggist and even the Chinese laundryman gave window space, while a public-spirited realtor, Maurice Collins, allowed us to use his entire window space and his office walls for a display of about fifty works of art. The village of Hastings followed our lead and about sixty pictures were sold. It is important to note that sales were made to "the forgotten man" in art circles—that is, the small home owner or low-salaried apartment dweller, the man who is ignored by art dealers as out of the picture-buying class. To stimulate public interest in art, we carried out other projects. We placed a free loan exhibition in the Dobbs Ferry Hospital, with a small picture in every room and a painting of a roly-poly baby in the maternity ward. We started a permanent municipal art collection in the Gould Playground building, with a few pictures bought by subscription and presented to the village. We organized the Junior Art Guild, a sketch class for non-professional artists with free instruction given by local painters and sculptors to children and grown-ups who want to learn the rudiments of design. By appealing to the civic pride and the love of beauty of the average man and woman, we obtained the wholehearted coöperation of the community, and the movement is gaining ground steadily. Think of what it would mean to the artists and the public if in every village art would come to Main Street. When the average man buys pictures, just as he now buys a radio set, a floor lamp, a piano and a low-priced car, there will be an opportunity for the artist to sell steadily at moderate prices, instead of making very few sales at excessively high prices. It can be done. We have demonstrated that the average man can be interested in art for the home, even to the extent of buying during the depression. And think of what it will mean to Main Street everywhere when it takes as much interest in art as it does in radios, motors and jig-saw puzzles.

CHARLTON L. EDHOLM.

Dobbs Ferry, N. Y.

Data about Mathew B. Brady

SIR: I am engaged on a biography of Mathew B. Brady, the Civil War photographer (1823-1896), and should welcome unpublished letters by or about Brady, personal recollections, etc. Address me at 65 Rogers Park Avenue, Brighton, Massachusetts.

CHARLES FLATO.

Brighton, Mass.

Hicks and "Forgotten Frontiers"

SIR: I find it hard to understand the attitude of the New York critics, and particularly the attitude of your reviewer Granville Hicks, one of the very few writers who seem seriously devoted to criticism as an art or science rather than as a meal ticket, towards Dorothy Dudley's biography of Dreiser that came out a few months ago under the name of "Forgotten Frontiers." The title is unfashionable, it's about a section of the country that after a long vogue has become unfashionable, and Dreiser, to his eternal credit, has always been unfashionable. But if it isn't the business of a book reviewer to get below the little surface eddies of fads, cliques and fashions, I'd like to know what his business is. "Forgotten Frontiers" seemed to me a book of considerable importance. In fact Adams's "Education" and D. H. Lawrence's "Classic American Literature" are the only two other books I can think of in recent years so packed with salty comment on our writing and our manners. Not that I liked the way it was written and presented very much (though infinitely more than I like the tasteless meringue whipped up out of literary history by such popular pastrycooks as Mr. Beer of "The Mauve Decade"), but I can't see why any professional writer genuinely interested in the past conduct of his profession in America couldn't have worked through the slightly fancy surface of the book to the rich and shrewdly concocted mass of material that lies below. And if you're going to navigate the present intelligently, you've got to know the flesh and blood realities of the past of which the present is merely the daily slice under the microscope.

This book is one of the best adjusted pictures I know of the position of a writer's life in the American free-for-all, one of the few that sketches in (often by implication, but the implication is always there) the hard skeleton of economic war behind every move in the game. Along with Van Wyck Brooks, I think the author of "Forgotten Frontiers" takes puritanism too much at its face value, but both that now slightly discredited theory and the woman's drawing-room slant that so annoyed Granville Hicks are tempered by a knowledge and curiosity about life as men and women live it, in all its relations—class, economic, sexual, social and financial—that you can look for in vain in the works of our long-faced wise men.

JOHN DOS PASSOS.

Provincetown, Mass.

A Bas "Modernistic"!

SIR: We, the undersigned, who are engaged in furthering the modern movement in all branches of art and of decoration, are opposed to the use of the word "modernistic" as applied to serious examples of contemporary design because of its unfortunate association in the mind of the public with certain extreme and transitory phases.

We hope that we may find your writers in agreement with us.

ROBERT GARRISON	ELY JACQUES KAHN
BARNET PHILLIPS	RUSSEL WRIGHT
EGMONT ARENS	ALFRED FELLHEIMER
RICHARD F. BACH	C. A. CASTLE
RALPH M. PEARSON	BRUCE BUTTFIELD

RUTH LYLE SPARKS.

New York City.

[There were fifty-two other signatures attached to this letter, which we are obliged to omit for lack of space.—THE EDITORS.]

The Drive against Hunger

SIR: Americans or scavengers, which shall it be? Over 30 million children, women and men, families of the unemployed in our nation, through no fault of their own are being placed upon the most degrading, cruel dole system. Our large cities are giving on the average one dollar per week, per person, for relief. A large majority of cities give nothing for rent, light and heat.

Self-respecting Americans are taking the place of rats as they scavenge from garbage cans to live. Only misery is being shared by the "share-the-work" campaign. Wages are being cut everywhere, the total loss to workers being over forty billion dollars during the depression.

Farmers are losing their farms by the tens of thousands and as a result peasantry is being established in the United States. Cities and states are going bankrupt. Nothing adequate to meet this desperate situation is being proposed by either of the old parties.

The League for Independent Political Action proposes to do something about it. In May the League will assemble a national congress in Washington, D. C., to organize a united New Party. You are aware of the tremendous significance of this step.

Earnestly, I invite you to join us. The national situation calls for action, *now*, by courageous and clear-thinking citizens. Our spring congress will necessitate funds and the strengthening of our membership. We cannot carry this through unless we have the means. We urgently beg of you to send us a contribution, whatever its size.

To create and distribute wealth so as to make it a stable and continuous blessing for the whole people is the cornerstone of our program. As a member you will help shape our action, and share in the greatest task of this generation. Won't you send us your membership application today? Headquarters are at 112 East Nineteenth Street, New York City.

JOHN DEWEY, Chairman,
National Committee.

New York City.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The Friend of Caesar

The Ordeal of Mark Twain, by Van Wyck Brooks. New and Revised Edition. New York: E. P. Dutton and Company. 325 pages. $3.75.

Mark Twain, by Stephen Leacock. New York: D. Appleton and Company. 162 pages. $2.

IT IS late in the day to praise so famous a book as "The Ordeal of Mark Twain": its reissue, with excellent but not organic revisions, is only the occasion for reminding oneself that thirteen years ago Van Wyck Brooks, quietly shelving the shallow Mark Twain-legend that Howells and Brander Matthews and others had created, observed that Mark Twain was a split personality, "the supreme victim of an epoch in American history," and that the man who might have written a "Gulliver's Travels" in which American capitalism would have been moved to Lilliput, accepted instead the status of a kind of titanic Bill Nye. If intuition of the first order and the most sensitive literary feeling were enough to make an infallible critic in our time, "The Ordeal of Mark Twain" would be the last word on the subject. With all its brilliance, the book is not quite that. In 1933 it is easy to see that Brooks, diving into waters that his predecessors were incapable of imagining, was himself unable to touch bottom. With a few more coils of cable, he would have been there.

What are those coils? Briefly, a genuinely dialectical mastery of the development of American society. "The Ordeal of Mark Twain," despite Brooks's superb picture of the Gilded Age, is after all imperfectly historical; and the result is that, as one finishes a rereading, one wonders more than ever what concrete and active conclusions one is to draw from it, for American letters, with reference to the present and the future—for Brooks intended the book, it is clear, as not only a diagnosis but (by implication) a call to action. As such, it is up in the air. It is up in the air because Brooks never shows *how* Mark Twain could have made himself the Rabelais that he never became. To have shown this would have been to raise questions with which Brooks's criticism never comes to grips. It would have been to raise the question of the writer and his class: it would have been to challenge the idealistic individualism which is the whole background for Brooks's judgment of Mark Twain. To put it otherwise, Brooks censures Mark Twain for his failure to break with the prosperous bourgeoisie of the Gilded Age, and suggests that such a break —a break into the empty air—would have liberated his bottled-up energies as a creative artist. It would have done no such thing.

Mark Twain could have become the destructive satirist of the American middle class of his time only by adopting, no matter how intuitively, the point of view of another class. This is what all great satirists have done: Rabelais, who spoke for all the anti-feudal, socially progressive forces in the France of the sixteenth century; Swift, the great reactionary, who spoke for the old pre-Whig society; and so on. In short, American society in Mark Twain's time was not, as Brooks almost suggests, one great undifferentiated whole: it was a society increasingly disunified by the dynamics of class development, and both its vices and its follies had their roots in this disunity. It was characteristic of Mark Twain that he should have been at once sympathetic with the labor unions and a servile admirer of H. H. Rogers, the Standard Oil magnate; and indeed Brooks makes both observations. But he does not observe that Mark Twain could have seen through H. H. Rogers only by understanding the dialectics of American capitalism: no matter how "free" he had made himself from bourgeois culture, he would have had nowhere to go without some clue to the culture toward which it was moving, and which would ultimately replace it. Mark Twain had never so much as imagined, says Brooks, "the normal existence of the artist, of the writer, who writes to please himself." But surely the normal existence of the artist is far from being so private an affair as this; and surely the fundamental thing about Mark Twain, in this connection, is that he failed to comprehend even the watered socialism of his friend Howells.

At the end of the book, Brooks observes that the American writer of today has not the same excuse as Mark Twain for missing his vocation—"not if he remembers the splendid parts his confrères have played in the human drama of other times and other peoples." It is a stirring thought, and Brooks expresses it stirringly. But he has nowhere expressly shown how American writers can now avoid becoming the victims of a more pitiless epoch than Mark Twain's.

Stephen Leacock, rather surprisingly, in a volume of the Appleton Biographies, shows that he has not read "The Ordeal of Mark Twain" to no effect. "Mark Twain only half-expressed himself," he says. "Of the things nearest to his mind [the Boer War, the Philippine conquest, the Catholic Church, Russian Tsarism] he spoke but low or spoke not at all. . . . Instinct told him that had he done so, the Mark Twain legend that had filled the world would pass away." But does Mr. Leacock deplore this appalling stultification? On the contrary. "It is better that it should be so. It leaves the legendary Mark Twain and his work and his humor as one of the great things of nineteenth-century America." Mr. Leacock has a certain celebrity as a humorist on his own. Is it possible that in the sentences just quoted he is making, at his readers' expense, a particularly cynical crack? NEWTON ARVIN.

The Challenge of Leisure

Leisure in the Modern World, by C. Delisle Burns. New York: The Century Company. 302 pages. $2.50.

AN IMPORTANT subject like leisure deserves far more and rather better writing than it is getting. Its failure to win admission into the society of ideas for polite discourse is doubtless due to the stealth with which it has crept into our culture. The machine process has for the first time in history provided the means for a widely diffused leisure. Business enterprise has contrived the goods and shaped the pastimes of idle hours, and has attempted to add out-of-shop activities to its exploitative domain. The prevailing opinion of a pragmatic capitalism has accorded a grudging recognition to amusement and recreation as means to personal efficiency and as incentives towards heroic busy-ness. In a word, leisure as we know it, in fact and in thought, is a mere by-product of the adventitious course of events.

It is the vivid account of its insidious coming which gives character to Delisle Burns's book. He shows, with many a telling illustration, how leisure came to the plain folk and transformed such everyday things as food, clothing, furniture, the fireside, getting a laugh and ways of going about. He accords an ungrudging credit to the motor car for offering an alternative to gossip, easing the severity of parental authority and providing an escape from the tyranny of vil-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

lage morality. He comments engagingly upon how changes in clothing have made human beings out of women and given to all "the manners of a society of equals." He observes in the changing games which children play the possibility of a transformation of the values of a caste system into the sanctions of a democracy. He regards the standardization of wares, not as a curtailment of individual taste, but as an enlargement of choice for the masses. In short, he takes his hat off "to the heretics of common life" whose little social inventions bring in their wake mighty things.

But to so staunch an advocate of change as Delisle Burns all of this is far from enough. He is anxious to accord generous credit for what events have of themselves accomplished, but he is not willing to allow the coming of leisure to play its bundle of tricks without friendly counsel. In everyday matters our notions of the good, the practical and the right seem to him to rest upon nothing more substantial than uncritical acceptance. He insists that, in realms in which the great moral discoveries are still to be made, "rules" are rather poor guides to conduct. The emphasis upon heritage in our culture has been tremendously overdone; what the past has to give is barren compared with the possibilities the universe offers to individuals whose minds are not dominated by tradition. The truth and beauty which lie ahead are far better than the best of what is; they are to be had by a process of trial and error, rather bold and half-blind to the past. If Greek music had not been lost, we of the modern world would never have created more wonderful music for ourselves. "We should learn from history never to let history repeat itself"—such is his theme.

All of this makes of leisure a challenge. It calls for a program of ways and means for making actual the potentialities in our culture. In an industrial order the rightful employment of leisure holds, as gainful work can never be made to do, the things which enrich experience and make for the fullness of life. Our time, our energies and our resources must be apportioned between work and play; the escape from office and shop to entertainment and hobby must be brought within the reach of all; and the social waste of unemployment must be converted into more constructive forms of idleness. The organized activities in which leisure finds expression, such as the radio, the movies and sports, must not be allowed to be diverted by money-making from the human values and creative urges they should serve. Leisure has ceased to be a surplus of time left over from work; it has become the stake and objective in the endless process of making the means whereby we support life contribute to the lives it is possible to live.

If the reader closes the book with a slight disappointment, the fault is not the author's. It comes from an appraisal of performance by a standard it is unfair to employ. The account is most graphic and the going is surest when its concern is with everyday things; the argument is most nebulous and least compelling when it diverges upon the cosmic issues involved in a domestication of our unruly social system to the uses of man. It lacks the subtle and penetrating artistry which has made of Thorstein Veblen's "Theory of the Leisure Class" a classic. And as an articulate analysis of "the institution of leisure" it is not to be compared with Ida Craven's brief article in "The Encyclopedia of the Social Sciences." But Delisle Burns is addressing, not intellectual adults, but the rank and file of mankind. In fact the book is made up of a series of radio talks, and for his purpose is a better book than a better book would have been. It is a tribute to his art that he succeeded in making the traffic over the air bear so much. If the book is a fair sample of the creative use of leisure by speaker and listener, then even the radio is beginning to look up.

WALTON H. HAMILTON.

Six English Novels

The Rash Act, by Ford Madox Ford. New York: Ray Long and Richard R. Smith. $2.50.

The Men of Ness, by Eric Linklater. New York: Farrar and Rinehart. $2.

Appius and Virginia, by G. E. Trevelyan. New York: G. P. Putnam's Sons. $2.

Unfinished Symphony, by Sylvia Thompson. Boston: Little, Brown and Company. $2.50.

Marriage in Heaven, by Ronald Fraser. New York: Charles Scribner's Sons. $2.

Jealousy, by Norah C. James. New York: Covici-Friede. $2.50.

IT'S THEIR language, of course, so by rights the English ought to write it better than we do. They speak it so well that sometimes we can hardly understand them, as it is. And it is quite true that the general level of literacy is higher among English writers than it is among ours. As many noble experimentalists have said, literacy is not enough; but, to readers who like to bury their heads in a novel as a temporary refuge from the illiterate experiment of real life, it is a good deal. Whatever the meaning of the English may be, their manners, when they take the trouble to remember them, are excellent.

Mr. Ford Madox Ford has not lived in England for some years, though he has continued to write about his hopelessly native country in a series of novels whose gossipy soliloquizings have earned him a sound reputation as a spinner of ironic psychological tales. In "The Rash Act" he has rashly taken an American for his hero, and though his gossip and irony are as sound as ever, his attempt at transatlantic psychology is a little cracked. The whole story, if it comes to that, is a little cracked, though Mr. Ford, as usual, reels it out so cheerfully that he remains, as always, a jolly good fellow. His hero, Henry Martin Aluin Smith, from Springfield, Ohio, is a post-war American who has been educated out of all sympathy with his home-town traditions, and has found nothing satisfactory to take their place. He decides to forestall a penniless and prospectless future by drowning himself, and has the stage carefully set for his exit, when lo! *another* Smith, with the same initials but a great deal more money, beats him to the gun. When Henry finds the body and realizes he may be suspected of murder, he assumes the dead man's identity, first from an instinct of self-preservation and later from increasingly enlightened self-interest. Though Mr. Ford took a foreigner for his hero he was wise enough to lay his scene in the neutral Riviera. With that combination, he may have said to himself, even such a yarn as this will be sufficiently plausible.

"Juan in America" will be remembered with reminiscent chuckles by those who share the amusement America affords to an observer (preferably British, and certainly not Mencken). But Mr. Linklater's "Men of Ness" will hardly appeal to the same audience. Based apparently on such barebone models as the Icelandic sagas and the Anglo-Saxon Chronicle, "The Men of Ness" is the rudely simple narrative of a family of Vikings who settled in the Ork-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

neys. Ragnar Hairybreeks, Ivar the Boneless, Thorlief Coalbiter, Skallagrim—they were a hard lot, and mostly came to the violent ends they headed for. Mr. Linklater's chronicle is so packed with unwrapped events that it sags a little heavily at times, and now and then his language grows self-consciously archaic, but with the climax of the long sea-voyage the story rises to something like real power. On the whole, Mr. Linklater may be credited with another, and surprisingly different, *tour de force*.

The situation in "Appius and Virginia" is as artificial as "The Rash Act's"—but how much more appealing! It is one of those sure-fire propositions from which almost any ingenious demonstration can be made. An enthusiastic spinster adopts an infant orang-outang, with the Great Idea of educating the little beast into actual humanity. The implications of comedy and tragedy are about equally mixed here, with perhaps a possibility of something better than either. Miss Trevelyan, avoiding bathos as sternly as buffoonery, steers a clever course on both tacks. The satire on infant education is as effective as it is implicit; some of Appius's painfully human tricks are as funny as they are pathetic; and the inevitable end is as much of a tragi-comedy as Miss Trevelyan's sensible law allows.

In "Unfinished Symphony," Miss Sylvia Thompson has also taken a theme that is pretty well unspotted from the world of things-as-they-are. Suppose that a beautiful girl had been brought up, from infancy to womanhood, on an isolated Mediterranean island by her rich and cultured father, who has hermetically protected her from the clamor of society and educated her in a pagan classicism—how would she act if she were translated into the hard-boiled insincerity of London life? If we grant Miss Thompson's breath-taking premise, the rest is not so hard to swallow. But, though we can find in Helena's rapid acclimatization a sensible, if disappointing, compromise, though we can forgive her an inexperienced *mésalliance* with a middle-aged politician, we cannot applaud her author for allowing this "impossible She" a more comfortable fate than she either desires or deserves.

"Marriage in Heaven" is un-English and unlike its companions in being written awkwardly and without a vestige of humor. Until Adrian's and Linet's love-affair has progressed some 150 pages, in fact, only the ponderous sincerities of the author keep us struggling on, and nothing can save our straight faces when Adrian murmurs such solemnities as this: "You make such big tears. They spurt into your tea." Adrian, in fact, is a pompous bore, and his precious Linet is a moody spoiled child; but even though (or is it because?) Mr. Fraser has not been able to see that his creatures are comic he has been able to show that even pompous bores and spoiled children may be desperately, pathetically in love.

Of these six, the only novel that touches at every point the life it talks about is Miss Norah James's "Jealousy." The least ambitious, both in subject and manner, it is also the most accomplished achievement. Her "Sleeveless Errand," a story of justifiable suicide, was an extraordinarily powerful book; "Jealousy" is quieter but hardly less moving. Michael and Catherine are motoring through a long summer day, from London to Gretna Green, to get married. They know each other well, and have little beyond the ordinary to say as they travel, but all the time they are remembering what has happened. Catherine remembers her first marriage, and its gradual poisoning by her husband's jealousy; and his crazy suicide, for which she was certainly not responsible, but for which as certainly she can never forgive herself. Michael remembers how wild it used to make him to see Catherine with another man, or even to think of her husband, and how straight he and Catherine were heading for another tragedy if she had not had the strength to break off their engagement. And now they have patched it up again, knowing the worst that can happen but feeling as hopeful of preventing it as human beings dare. Today, with yesterday still threatening and tomorrow unknowable, is the unrecognized high point in their lives. Michael and Catherine are simply "living through it," their exhausted emotions chastened into friendly love.

T. S. MATTHEWS.

The Margins of History

The Revolt of the Netherlands (1555-1609), by P. Geyl. London: Williams and Norgate. 310 pages. 12s. 6d.

THE LONG and toilsome war of the Dutch against Spain represents the first stage in the struggles of the bourgeoisie for emancipation on a national scale. Like the English civil war, it had a pronounced religious aspect. Like the American revolution, it was a war for national independence, but unlike the latter, it succeeded only partially: the southern Netherlands (Belgium) remained a Hapsburg possession. Commonly it is assumed that the North became independent because it was Protestant, and that the South submitted to Spanish absolutism because it was Catholic. But Professor Geyl shows that, North as well as South, the Calvinists originally constituted only a small minority of the population, not more than one-tenth. In the North this minority succeeded in wresting control of the government, municipal, provincial and federal, and imposed its religion upon an unwilling majority, while in the South it suffered military, political and religious defeat. Politics determined religion.

To the question, why the Calvinists were able to overthrow the Spanish power in the North but not in the South, Professor Geyl gives a clear and explicit reply by pointing to the map. Holland and Zealand are not merely maritime provinces; they are open to the sea at practically every point. Defeated on land by the foremost military power in Europe, the rebel Calvinists took to the sea and made it the base of their operations. They established themselves in the islands, blockaded the coast of Flanders, landed troops in Holland, slowly established their power in that and adjacent northern provinces, gave to Amsterdam the commercial supremacy which was Antwerp's before the famous siege, the sack and the blockade, and grew rich by industry and commerce, piracy and colonial enterprise in the midst of war. An Amsterdam burgomaster declared that "whereas it is generally the nature of war to ruin land and people, these countries on the contrary have been noticeably improved thereby," and in 1596 the States (estates) of Holland declared that "in the command of the sea and in the conduct of the war on the water resides the entire prosperity of the country." The Dutch Calvinists knew how to wage war at a profit.

HERMAN SIMPSON.

Fall of the Inca Empire, and the Spanish Rule in Peru: 1530-1780, by Philip Ainsworth Means. New York: Charles Scribner's Sons. 363 pages, illustrated. $4.50.

MR. MEANS is the author of "Ancient Civilizations of the Andes," an excellent study of the several cultures that proceeded through decadence and renaissance to the relatively minor peak of Inca civilization. In this new book he describes the fall of the Inca Empire before

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the Spanish conquistadors, a historical nightmare unexampled in the speed and completeness of the catastrophe; goes on to the establishment and career of the Hispanic structure erected upon the Inca ruins, and concludes with speculations that attempt to account both for the feebleness of this structure and the incapacity of the Indian natives to break out of subjection. The account of the conquest and of the career of Peru as a Spanish colony are well done; and the author opens himself to criticism only when he assumes the role of interpreter.

It is not enough to say that the feebleness of the viceroyalty in Peru was the consequence of its distance from Madrid, which nullified the effectiveness of government from Spain at the same time that it inhibited the development of a strong and just local government. Moreover, it is a libel upon the native races which succeeded in creating the socially advanced cultures so eloquently admired by Mr. Means in his previous volume, to assert that they are a subject race by temperament and may be expected to flourish again only under a paternalistic despotism. It should not be necessary to remind a historian that despotisms, particularly those organized to benefit an alien privileged class, are benevolent only by accident and do not tend to remain long in an attitude unnatural to them.

The fatal defect of Hispanic rule in the Andes was that conditions made it possible for the conquistadors and their mixed-breed inheritors to exploit the native races with a completeness scarcely ever equaled in history. For the most part the Church, the only force that might have tempered the inhumanity of the system, chose instead to collaborate, its contribution being to develop an oxlike patience in the victims. The consequences are to be clearly read in the history of Peru. By reducing the majority of its population to impotence, viceregal Peru condemned itself to impotence. And the mixed-breed ruling class of the Peruvian republic has been following the same fatal path.

ISIDOR SCHNEIDER.

a revolutionary interpretation

TOWARDS THE UNDERSTANDING OF

KARL MARX

by Sidney Hook

"THE world today stands in the shadow of a man not yet dead fifty years." At no time has Karl Marx's philosophy been a more potent force than it is today. Mr. Hook, America's foremost authority, here presents the essential points in Marx's method and examines his teachings in the light of the method. $2.50

A JOHN DAY book

Two books by

FRED HENDERSON

THE ECONOMIC CONSEQUENCES OF POWER PRODUCTION

and

MONEY POWER and HUMAN LIFE

each $1.75

JOHN DAY books

Bohemia in the Eighteenth Century: A Study in Political, Economic and Social History, by Robert Joseph Kerner. New York: The Macmillan Company. 424 pages. $4.

THE EMERGENCE of the Czechoslovak Republic a few years ago marked the culmination of a long struggle on the part of the Czechs or Bohemians to regain their independence from Austria. Their position had been particularly unhappy in the seventeenth century, after the defeat of the Winter King at White Mountain (1620). The Hapsburg masters turned Bohemia over to the Jesuits, who exerted themselves to restore it to the Catholic faith. During the Age of Enlightenment Joseph II gave the Bohemians as well as his other subjects a taste of a different kind of tyranny: he granted religious toleration but attempted a number of unpopular reforms, such as compelling the use of German in the schools. With the accession of Leopold II, things with the Czechs took a turn for the better: official Germanization was halted, the Czech language could be taught in the university and in the *Gymnasia* at Prague. In general, however, Leopold found it difficult to promote reforms because of the alarm spread among the upper classes by the progress of the French Revolution. They preferred the medieval way of life, as indicated by the refusal of their estates to abolish robot *(corvée)*; the serf was to be kept down at all costs. At the same time, the central government held the country as a whole subject to its financial policy. Nevertheless, Professor Kerner sees in the short reign of Leopold, a tactful and moderate man, the dawn of a better day for Bohemia: it was through his tolerance that the Czech revival received an impetus in the schools. By writing this compact, scholarly and interesting book he has placed students of modern European history in his debt. The work is based largely on the Vienna and Prague archives.

CARL LUDWIG LOKKE.

Jewish Mysticism and the Legends of Baalshem, by Martin Buber. Translated by Lucy Cohen. New York: Bloch Publishing Company. 230 pages. $2.

CHASSIDISM afforded the Jews of eastern Europe in the early eighteenth century an escape into an intercommunicating world of reality and unreality at a time when life was insecure and atrociously hard. In the beginning Chassidism was of a gentle and genial character, a reaction against a more drastic and repellent psychosis, the Talmud worship in which Jewish life buried itself after an era of massacre. Its founder, who was called The Baal Shem Tov (Lord of the Holy Name), was a rare personality who advocated deserting ritual and letters for a return to Nature, and worship through joyousness. The movement was creative. It brought into being a body of folk music and legend that is rich and distinctive.

Not long after Baalshem's death Chassidism degenerated into a system of superstitions which for a long time fixed its character in history and tradition. Only recently has the movement been studied as a whole and its nature and historical service in Jewish life appreciated. Professor Buber is its ideal historian: a mystic himself, he is at home in its terminology and modes of thinking; he has powerful feeling and a strong poetic gift. His essays on points of Chassidic doctrine are like theological prose poems, and his retelling of the legends of Baalshem and his successors, which form the bulk of the volume, is vigorous and fascinating.

I. S.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Book Notes

Biography

PRETTY WITTY NELL: The Story of Nell Gwyn and Her Times, by Clifford Bax. *New York: William Morrow and Company. 294 pages, illustrated. $3.*

Samuel Pepys returned one night from a back-stage visit and reported himself altogether "pleased . . . especially kissing of Nell." The Orange Girl had captured the heart of an important person. Later, in a role with the most flamboyant possibilities, she won the whole nation by playing without flourish, with impudent good sense and native good humor. Nell Gwyn has had a rich immortality of fond admirers, and the latest, Clifford Bax, is an entirely admirable one. He allows Pepys to say all he had to say about Nell and then adds, in much the same spirit and with an attractive prose style, whatever else of fact or legend remains. His book, supported by twelve excellent gravure portraits, is a charming and spirited performance. In one of his last chapters, Mr. Bax, with an intelligent lack of emphasis, does something which, strangely enough, has never been done before: he submits the facts about Nell's illness and death to a competent physician, who returns an entirely plausible diagnosis.

Travel and Adventure

LIFE OR DEATH IN LUZON, by Samuel E. Kane. *Indianapolis: The Bobbs-Merrill Company. 350 pages, illustrated. $3.50.*

Mr. Kane went to the Philippines just after the Spanish-American War, as a sergeant in the Thirty-third Infantry. With that contingent, he chased the Insurrectionist leader, Aguinaldo, over the length and breadth of Luzon, and had his introduction to the little-explored highland region of that island. Demobilized, he returned to the highlands, where he spent some thirty years among Igorot tribes, holding many government positions and playing a considerable part in the sowing of American culture. His book is both a personal memoir and a calendar of that cultural process, as well as an authoritative source of information on the character and customs of the Igorots. It covers a period which has seen, among other changes, the native *olags* (wherein boy and girl slept together before marriage pending the girl's pregnancy) turned into missions; head hunting replaced by potato and egg races, and orgiastic revenge-dances supplanted by toothbrush drill. Many of the writer's adventures over this period have all the thrills of the wildest fiction. "Life or Death in Luzon" is entertaining, informative. Its author does not do justice to the very important political and economic aspects of the Philippine problem.

ONE-ARM SUTTON, by Major-General F. A. Sutton. *New York: The Viking Press. 285 pages, illustrated. $2.50.*

After the War, in which, at Gallipoli, his right hand was blown off by a grenade, this British soldier of fortune with a university degree took a gold dredge and a cargo of merchandise to Siberia. The book is largely devoted to his adventures in this region, and later in Szechwan province, China, up to the time, in 1922, when he became chief of staff to the war lord Chang Tso-lin. At Blagovyeshchensk Sutton lived through the overthrow of the White rule; lived to sell his nails and shoes at great profit. He made a fortune manufacturing guns for a Chinese general. His book is entertaining—that is, if you disregard his patronizing attitude toward the people of these countries ("Russkies" and "Chinks" to him) and his blindness to the great changes going on under his very nose.

World Politics

RUSSIA AND ASIA, by Prince A. Lobanov-Rostovsky. *New York: The Macmillan Company. 344 pages. $2.50.*

This is a condensed, scholarly, yet highly readable account of the Russian advance in Asia and of the relations of Russia to the various Asiatic powers, from the earliest times to the present day. The expansion of the Russian people from their original home on the line of the Volkhov and Dnieper Rivers (from Novgorod to Kiev) to the Pacific Ocean, was a slow, secular process, re-

NOW YOU CAN GO TO EUROPE

In a Two-weeks Vacation for $192

ONLY POSSIBLE BY THE

BREMEN • EUROPA

Fastest liners afloat. All-expense tours. 4 to 7 days in London and Paris. — Other longer tours to all Europe at lower and higher prices by Lloyd express and cabin liners. Write for information.

NORTH GERMAN LLOYD

57 Broadway, New York, N. Y.

COSTUME BALL

New Masses

SPRING COSTUME BALL

Friday—March 31st

Webster Hall 119 E. 11th St. N. Y. C.

Reduced Prices:
$1.00 in advance
$1.50 at the door

Reserve tickets through
New Masses
31 E. 27th St.
CAledonia 5-8524

DANCING 'TILL DAWN

KENT-VINCENT ORCHESTRA

THEATRE

March 28, 29, 30. Three days only
PUDOVKIN'S

"LIFE IS BEAUTIFUL"

March 31, April 1, 2, 3
RENE CLAIR'S

"A NOUS LA LIBERTÉ"

ACME THEATRE 14th St. & Union Sq. Phone: ALg: 4-9620 | *The Rendezvous of the Intelligentsia.*

The special classified rate of THE NEW REPUBLIC, applying on To Rent, Position Wanted, and Help Wanted advertisements, is $4.00 an inch (60 words) for one insertion; $3.50 an inch for three insertions, and $3.00 an inch for six insertions. The minimum space is a half inch at half the rates quoted above. Larger space proportionately more. Address: Advertising Department, 421 W. 21st Street, New York, N. Y.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

quiring a millennium for its fulfilment. As in North America, it was partly the natural, spontaneous expansion of an agricultural population into the unoccupied forest and prairie (steppe), partly the work of adventuring merchants and hunters, partly the result of conquest deliberately planned by government. The successive stages in this long process, and the international complications to which they gave rise, are interestingly described. The attitude of the author, a Russian nobleman, is objective throughout, even toward the Asiatic policy of the Soviet government, whose work of economic and cultural construction in Siberia and Central Asia is fully acknowledged.

THE UNITED STATES AND THE WAR DEBTS, by Beatrice Pitney Lamb. *New York: The National League of Women Voters. 26 pages. 15 cents.*

A simple, clear statement of the fundamental facts about the war debts, their origin, present status and economic influence.

STORM OVER ASIA, by Paul Hutchinson. *New York: Henry Holt and Company. 310 pages. $3.*

This is a well informed, intelligent discussion of the present situation in the Far East—Siberia, Japan, China and India. The Near and Middle East, and the Dutch and American island possessions, are only occasionally mentioned. We are given an account of the onward march of Japanese imperialism, as well as of the dangerous economic situation within the country; Japan is shown to be menacing the peace and independence not only of China and Manchuria, but also of Russia and Siberia. The internal and external situation of China is set forth, the nature of her peculiar communistic movement, and the disillusionment and despair that have taken possession of all classes of her population—peasants, owners, business men. Two-thirds of the book is given to these two countries. There follows a discussion of the revolutionary movement in India, of Gandhi's role in it, and the possibility that non-violent resistance may be succeeded by violent methods. The chapter on Russia is the least satisfactory; notwithstanding his good intentions, the author seems unduly credulous when he attributes grandiose schemes of expansion to the present rulers of that country.

Contributors

JOHN CHAMBERLAIN, assistant editor of The New York Times Book Review, is the author of "Farewell to Reform," a study of the progressive era, which was issued early this year under the imprint of Liveright.

T. R. CARSKADON is a professional writer now living in New York City. The article in the present issue of The New Republic is the result of observations made during a recent trip to his birthplace in Keyser, West Virginia.

YVOR WINTERS, an instructor in English at Stanford University, is the author of several volumes of verse, the most recent being "The Journey and Other Poems." He has contributed to "The American Caravan" and to various magazines.

WALTON H. HAMILTON, author of "Current Economic Problems" and other works on economics and kindred subjects, is Southmayd Professor of Law at Yale University.

T. S. MATTHEWS, literary editor of Time and author of "To the Gallows I Must Go," a novel based on the Gray-Snyder case, is at present completing his second novel.

HERMAN SIMPSON, a student of Marxist theory, was formerly one of the editors of the Socialist daily, The New York Call.

ISIDOR SCHNEIDER, the author of a volume of poetry, "The Temptation of Anthony," and a novel, "Doctor Transit," is a frequent contributor to the literary journals. He is at present at work on his second novel.

CARL LUDWIG LOKKE is a lecturer in History at Columbia University and the author of "France and the Colonial Question."

LECTURES

THE PEOPLE'S INSTITUTE
At Cooper Union
8th Street and Astor Place, at 8 o'clock
Admission Free

Friday, March 24th
PROFESSOR RICHARD McKEON
"Spinoza and Spinozaism."

Sunday, March 26th
PROFESSOR HARRY A. OVERSTREET
"How Can We Determine Our Own Social Destiny?"

Tuesday, March 28th
PROFESSOR MORTIMER J. ADLER
"The Nature of the Organism: Machine or Pragmatism."

FOR RENT

2nd floor apartment, 5 rooms. College woman's attractive farm home. 15 acres, 30 miles out, hilly country—preferably six months or year's lease. Box 238, Nanuet Rockland Co., N. Y.

POSITION WANTED

College man, 29, married, liberal views, 10 years experience in advertising, office organization, personnel. Weary of hoodwinking consumers, desires connection with socially useful and necessary activity. Address: P. O. Box 223, Cincinnati, Ohio.

Man, 40, unencumbered, former foreign service officer, university teacher, writer, will consider anything consonant with his training and experience, here or abroad. Address: Arnold A. McKay, Maxton, N. C.

Have you a room, apartment or house for rent? Advertise it in The New Republic. See Page 195 of this issue for the special classified rate.

MAGAZINE

LaFollette's
Great National Weekly Newspaper
THE PROGRESSIVE

In every issue it is fighting your battles against monopoly and organized wealth in government.

SPECIAL OFFER
2 Months' Issues 25c

STARTLING facts suppressed by other papers will be revealed in the next few issues. Send 25 cents today and be sure to receive the next nine extraordinarily interesting issues of La Follette's great weekly newspaper.
The Progressive, Dept. B., Madison, Wis.

TRAVEL

RUSSIAN SEMINAR
July-August, 1933 — Comprehensive itinerary through Russia, including Leningrad, Moscow, Volga Trip, Caucasus, Crimea, Ukraine, Dnieper River Trip. Also visiting Denmark, Finland. Near East Cruise includes Rumania, Bulgaria, Turkey, Greece, Albania, Italy. Competent experienced leaders. Round table discussions with Soviet leaders. Organized on a non-profit basis. Write for announcement. Bureau of University Travel, 2 Boyd Street, Newton, Mass.

LECTURE

The Society for the Advancement of Judaism
15 West 86th Street
FORUM
Sunday Morning, March 26th, 10:45 A.M.
DR. MORDECAI M. KAPLAN
will speak on
Is the Middle Class Doomed?
Musical Program *All Are Welcome*

BOOKS

Book Bargains

We have in stock one or more copies of the books listed below, unused and showing almost no shelf wear.

	Our Price
IN DEFENSE OF TOMORROW, by Robert Douglas Bowden. Macmillan. List $2.00	$1.00
FORTITUDE, by Hugh Walpole. Modern Library. List $.95	.65
ANATOLE FRANCE ABROAD, by Jean Jacques Brousson. McBride. List $5.00	1.25
DOCTRINE OF NECESSITY IN INTERNATIONAL LAW, by Burleigh C. Rodick. Columbia, 1928. List $4.00	1.25
JUSTICE AND ADMINISTRATIVE LAW: BRITISH CONSTITUTION, by W. A. Robson. Macmillan, Ltd. 12s. 6d.	1.10
LIFE OF JOHN KEATS, by Albert Erlande. Cape. List $3.00	1.00
SAINT PAUL, by Emile Baumann. Tr. by Kenneth Burke. Harcourt. List $3.50	1.10
THE ROMANCE OF NAVIGATION, by Capt. B. W. Whall. McBride. List $5.00	1.25
HUNGER FIGHTERS, by Paul De Kruif. Harcourt. List $3.00	.90
LOVE SONNETS OF A CAVE MAN, by Don Marquis. Doubleday. List $2.00	.85
MICHAEL SCARLET, by James Gould Cozzens. Boni, 1st. List $2.00.	1.15
AMERICAN SILHOUETTES, by Arthur Crew Inman. Dutton. List $2.00.	.90
OBSERVATIONS, by Max Beerbohm. Heinemann, Ltd. List $7.50	3.50
WICKER WORK WOMAN, by Anatole France. Dodd. List $2.50	1.00

Books of all publishers promptly supplied
Postage FREE

NEW REPUBLIC BOOKSTORE
419 W. 21st St., New York City

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED